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ABSTRACT

This is the report of a finance review which examined long-standing inequities in education finance as well as current problems stemming from declining enrollment and sparse rural populations. An introduction provides the rationale for the review, along with the mandate set out by the Minister of Education, an overview of the organization and operation of the review, and the format. Chapter 2 addresses the underlying principles of education finance: student and taxpayer equity, accountability, local autonomy, and the need for balancing principles in an overall financing formula. Chapter 3 provides a brief description of education finance plans: foundation plans, percentage and power equalization plans, voucher schemes, and full provincial funding--with particular reference to Manitoba's preference for foundation programs. Chapter 4 examines the political, social, and economic context for the review, and the degree to which the current education support program is accepted. Chapter 5 provides the rationale and recommendations for government support of education: source of funds, disbursement of funds, governance. A summary of recommendations follows, covering these and other concerns such as compensatory education, vocational education, English as a Second Language, French, heritage languages, curricular materials, continuing education, small schools, transportation, capital, equalization, block grants, special revenue schools, and private schools. Ten appendixes provide supporting documentation for the report. (TE)

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ENHANCING EQUITY IN MANITOBA SCHOOLS

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***ENHANCING EQUITY
IN MANITOBA SCHOOLS***



PREPARED BY: DR. GLENN NICHOLLS

ASSISTANT DEPUTY MINISTER

DEPARTMENT OF EDUCATION

OCTOBER, 1983

GOVERNMENT SUPPORT FOR EDUCATION

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I. INTRODUCTION: FORMATION AND OPERATION OF THE REVIEW

The Minister of Education, the Honourable Maureen Hemphill, announced the Manitoba Government's intention to undertake a review of education finance in her introduction to the Estimates of the Department of Education in the Legislative Assembly on May 6, 1982. Monies in the Research Branch of the Department were to include "some funds to assist with our proposed review of Education Finance, a review which will be the first comprehensive review of Education Finance since the McFarlane Report of 1959 and the Michener Report of 1964."¹

The Minister further stated:

That review will study a system which has had current dollar expenditure grow from \$198 million to an estimated \$611 million in the last decade. That review will examine long-standing inequities in Education Finance as well as current problems due to declining enrolment and our sparse rural populations.²

1.1 Rationale for the Review

Subsequently, a rationale for the Review and its terms of reference were established. The rationale reads as follows:

A review of the financing of education is appropriate at this time. Certainly, the Education Support Program introduced last year has some positive features; for example, an allowance for inflation,

¹Manitoba, Legislative Assembly, Estimates of the Department of Education, May 6, 1982, p.2264.

²Ibid.

increased support for special education, and facilitation of planning by local school boards. However, there are also some concerns including the following:

1. Variations among school divisions in balanced assessment per pupil continue to exist. Divisions with low assessments have difficulty in providing programs of similar quality to those in divisions with comparably higher assessments.
2. The Education Support Program ties operational grants to a 1980 expenditure base. As a result, those divisions which were low in expenditure in 1980 now find it increasingly difficult to maintain good educational offerings.
3. Since Education Support Program grants in any year are dependent upon enrolment on the previous September 30th, school divisions that wish to introduce new programs at the beginning of a school year must carry the full cost of those programs, as a charge against local taxation, for the September to December period.
4. The Education Support Program has not addressed fully those social and economic factors related to declining enrolment and small schools. The maintenance of programs of good educational quality in the face of fewer pupils, empty spaces, and increasing transportation costs is a difficult assignment for many school divisions.

These concerns, and others, led the Government in 1982 to provide an eligible expenditure grant and an equalization grant as supplements to the Education Support Program. Yet, the degree to which the Education Support Program has enhanced equality of educational opportunity for children, or fiscal equity for taxpayers, remains in question.

Thus, the Review is to be a review of education finance, not simply a review of the Education Support Program. It is hoped the result of the Review will be recommendations for a new system of finance which will allocate resources in such a way that schools may provide programs and services to enhance equality of educational opportunity for students throughout the province.

Further, the provision of adequate resources to meet educational needs is to be a goal of the Review. Specific equalization measures to enhance equity for taxpayers may form part of the recommendations of the Review.

The Education Support Program was designed for a three year period with a built-in increment each year related to the increase in the Consumers' Price Index. Thus, the management of expenditure growth should be a question addressed by the Review.

The Education Support Program was developed by staff in the Department of Education, with no opportunity provided for public involvement before the Program was initiated. With so much general concern about the costs of education, and the costs of government, a review involving public input is essential.³

1.2 Terms of Reference for the Review

The Minister of Education also set out the following mandate for the Education Finance Review:

³"Education Finance Review," policy statement issued by the Minister of Education, November, 1982, pp. 1-2.

1. The Review should address and make recommendations on three basic issues:

- a) the most equitable way of raising the funds needed for education expenditures by schools;
- b) the most appropriate way to disburse funds to ensure an adequate level of support for programs, and to promote equality of educational opportunity;
- c) the most appropriate program delivery and management structures to enable equitable and economic distribution of resources.

2. The Review will not include an examination of capital expenditures, other than in situations where there is linkage with operating expenditures, e.g., capital from current revenues. The Public Schools Finance Board will examine capital expenditures.

3. The Review will not include an examination of the fiscal operation of the Department of Education, other than in situations where Department expenditures relate directly to School Division expenditures, e.g., special education.

4. Priority issues for the Review to address should be:

- a) Socio-economic factors. It is known that such factors as unemployment, single parent families, migrancy and limited parental education create special needs to which the school system must respond through enriched and compensatory programs. A recognition of these socio-economic factors needs to be built into any financing scheme.

- b) Declining enrolment. It is recognized that education costs do not shrink in proportion to enrolment decline, and that, as a result, any student-based financing formula may have the effect of denying adequate educational programs in areas where there is significant enrolment decline. Any new financing system must deal adequately with the challenge of declining enrolment.
 - c) Disparity in revenue capacity. It is recognized that there is an extreme disparity in the capacity of school divisions to raise money on their property tax bases. A new financing scheme must take this into account and either limit reliance on special levies or provide some means of equalization.
5. The following areas of need should be taken into account in determining a new system of disbursement of funds to school divisions.
- a) Small Schools:
Problems of the small school relate primarily to the difficulty of providing for individual student needs with limited staff and instructional materials. There is a need to consider the cost of providing an adequate program, regardless of numbers of students and size of facility.
 - b) Transportation:
Pupils in urban divisions are not eligible for transportation grants similar to those received by rural boards for students living beyond one mile from school. With school closures, and with large increases in enrolment in immersion programs, urban divisions are facing a sharp acceleration in transportation costs, as a charge solely against the special levy. The issues of transportation support generally, and urban transportation in particular, will need to be addressed by the Review.

c) Français, French Immersion, and Core French Grants:

There is need for the Department of Education to provide clear definitions of the various French programs under its jurisdiction, and for the Review to examine appropriate funding for each program.

d) Heritage Language Programs:

There is need for an examination of the additional costs to a school division of the introduction of a heritage language program, and for the Review to consider the possibility of an appropriate categorical grant to assist school divisions in implementation.

e) Special Education Grants:

There is need to examine both the basis for and the level of support to meet special education needs. It is hoped that the new funding scheme would ensure adequate programming and accountability, and would limit any negative effect of labelling.

f) Programs involving shared funding with Health and Community Services and Corrections:

The cost of the educational component of many Manitoba institutions has not been a charge against education per se. Responsibility and policy with relation to community services, correctional and health institutions requires clarification.⁴

1.3 Organization and Operation of the Review

The Minister's statement on the organization of the Education Finance Review reads in part:

⁴Ibid., pp. 3-5.

- The Review will have three essential components:
 - a) a Chairman, who will conduct the Review.
 - b) an Advisory Committee, with representation from the educational community, which will provide consultative assistance to the Review. (The Advisory Committee will be consulted on all major recommendations.)
 - c) a Technical Group which will provide technical, statistical and computer assistance.
- The Review may contract out or delegate tasks of a specific nature as it sees fit.
- The Minister of Education will issue a press release to indicate the terms of reference for the Review, and to announce plans for public consultation. Public hearings will be held throughout the Province. The meetings will be publicized well in advance. While it is intended that most briefs will be written and presented orally, it is intended that any person wishing to present a viewpoint at a public meeting will be accommodated by the Review. In addition, members of the public will have the opportunity to make written submissions, without an obligation for oral presentation, directly to the Review. Provincial organizations will be encouraged to make presentations at the time of the public meetings in Winnipeg.
- The Chairman will have direct access to the Minister of Education and is expected to consult the Minister on a regular basis, likely monthly. Minutes of all meetings will be kept and circulated to the Minister, the Deputy Minister and the Special Assistant to the Minister.

- It is expected that the Review will be completed by the end of June, 1983, and that there will be recommendations for a new financing system for introduction in the 1984/85 estimates. (It is anticipated that the Education Support Plan will be retained for the final year of its legislative mandate.)

- The final report of the Review will be made public.⁵

On April 28, 1982, the Minister appointed Glenn Nicholls as Chairman of the Education Finance Review. Dr. Nicholls, on secondment from the superintendency of the Seven Oaks School Division, assumed the chairmanship on August 1, 1982.

An Advisory Committee to the Education Finance Review, with representation from the educational community, was established on October 29, 1982. The following were named to the Committee:

Keith Davis, representative, Canadian Union of
Public Employees

Donna Goodman, teacher, Winnipeg School Division

Charles (Bud) Hansen, secretary-treasurer,
Beautiful Plains School Division

Raymond Lafond, controller, Standard Aero Limited

George Marshall, school trustee, Transcona-
Springfield School Division

Les Milne, superintendent, Brandon School Division

Jan Schubert, assistant superintendent, Winnipeg
School Division

John Wiens, teacher, River East School Division

Myrtle Zimmerman, school trustee, Assiniboine South
School Division

⁵Ibid., p. 6.

During the course of the Review, Sandra Oakley, also a representative with the Canadian Union of Public Employees, replaced Keith Davis.

The Advisory Committee has met on seven occasions, generally for a day and a half at a time. Committee members received the full text or a summary of all submissions to the Review, and copies of all major computer output. Discussions have ranged over the full spectrum of the Review's mandate and the Committee has offered advice on all recommendations.

Technical assistance for the Review has been provided by Department of Education and Department of Finance personnel, as follows: David Bell, Ewald Boschmann, Jim Glen, Maureen Latocki, Lynne Mavins, Iris Maurstad, Ron Neumann, Michael Rennie and Jim Robson. The major responsibility for computer modelling has rested with the research staff of the Finance Branch, Department of Education.

The Chairman was assisted in some aspects of the study through contracts with Bob Davies, teacher, Winnipeg School Division; Bob Gordon, former General Secretary of the Manitoba Teachers' Society; Tim Sale and Harvey Stevens of the Social Planning Council of Winnipeg (compensatory funding); Keith Cooper, Director of Children's Home (educational programs in institutional settings); Normand Boisvert, principal, Ecole Lavallee (French grants); Glen McRuer, research analyst, Manitoba Teachers' Society (special needs programs in other jurisdictions). Reports from these individuals were made directly to the chairman. While portions of their submissions are included within the body of this report, they are not "responsible" for the recommendations.

The Chairman of the Review received submissions at the following schedule of public hearings:

November 8, 1982	- Winnipeg
November 9, 1982	- Winnipeg
November 12, 1982	- Winnipeg
November 15, 1982	- Thompson
November 16, 1982	- The Pas
November 22, 1982	- Brandon
November 23, 1982	- Dauphin
November 29, 1982	- Morris
November 30, 1982	- Steinbach

Resulting from requests from the field, an additional public hearing was held in Winnipeg on December 14, 1982. Several submissions were mailed directly to the office of the Review.

In general, the response from the public was overwhelming. Some 150 presentations from individuals and organizations were received. Appendix A to this Report is a listing of the "input" to the Review.

Over several months, the Chairman has received assistance both in assessing current education finance policies and in recommending new procedures from members of the Department of Education, including David Bell, Director of Finance; Bert Cenerini, Director of Child Care and Development; John Dyck, Assistant Deputy Minister; Leonard Floyde, Director of Administrative Support Services; Jim Glen, Director of project FRAME; Iris Maurstad, Assistant Director of Finance; Guy Roy, Assistant Deputy Minister; Louis Gosselin, Director of Educational Support Services for the Bureau de l'Education Française. In addition, many other Departmental personnel have contributed in relation to their specific areas of expertise.

The Chairman has met frequently with, and received assistance from the Honourable Maureen Hemphill, Minister of Education; Dr. Ron Duhamel, Deputy Minister of Education; and Brian O'Leary, Special Assistant to the Minister.

Many background materials⁶ were studied by the Review; in particular education finance programs in other Canadian provinces, in several U.S. states, in Britain, in Western Europe and in Australia. Foundation programs, percentage and power equalization plans, and full provincial funding programs received close attention, as did voucher and tuition tax credit proposals. The Chairman participated in two conferences for Canadian education finance officials sponsored by the Council of Ministers of Education, and attended the annual conference of the American Education Finance Association.

Secretarial assistance for the Review has been provided by Rena Goertzen, secretary to the Chairman of the Education Finance Review and to the Assistant Deputy Minister for Administration and Finance.

Assistance in publication of the Report and the summary of the Report has been received from Wayne Boyce and David Church of the Department's Communications Branch.

1.4 Format of Report

The balance of the report is organized in the following manner:

- Chapter II deals with underlying principles of education finance -- student and taxpayer equity; accountability; local autonomy -- and the need for "balancing" principles in an overall financing formula.
- Chapter III provides a brief description of education finance plans -- foundation plans; percentage and power equalization plans; voucher schemes; full provincial funding -- with particular reference to Manitoba's preference for foundation programs.

⁶An excellent education finance library is located in the office of the Review.

- Chapter IV examines the political, social and economic context for the Review; and the degree of acceptance of the current means of financing education, the Education Support Program.
- Chapter V provides the rationale and recommendations for Government Support for Education: source of funds; disbursement of funds; governance. Other considerations, supplementary to specific education finance recommendations, are also presented. The summary of recommendations is found on pages 163-175.
- The report concludes with Chapter VI.

II. UNDERLYING PRINCIPLES OF EDUCATION

FINANCE: INTER-RELATIONSHIPS

Before any proposals for funding elementary and secondary schooling are advanced, there is need to take cognizance of certain basic principles underlying the financing of education. The Education Finance Review has considered principles of:

- equality of educational opportunity or student equity
- fiscal or taxpayer equity
- liberty or local autonomy
- financial responsibility or accountability

The Review has also examined inter-relationships: between and among these principles; between the terms of reference for the Review and these principles; and between presentations to the Review and these principles.

2.1 Student Equity

Equality of educational opportunity, as stated in a 1973 publication of the Government of Manitoba, Guidelines for the Seventies, requires "an educational system that provides all citizens, whatever their economic and social background, with equal access to the resources offered by the educational system."¹ Regardless of wealth of neighbour or geographic location, every Manitoba student, in the eighties and nineties, as much as in the seventies, should be able to participate in basic educational offerings of good quality. The goal is for "horizontal equity."

¹The Province of Manitoba, "Social Goods and Services," Volume 2 of Guidelines for the Seventies (Winnipeg: Queen's Printer, 1973), p. 87.

Further, equality of access to a common, basic program is not a sufficient provision in itself to ensure equality of educational opportunity. In the eighties, programs should accommodate the varying educational needs of all students: the underachievers; the physically or mentally handicapped; the socially, culturally or economically disadvantaged; students interested in vocational education programs, work experience programs, heritage language programs, immersion programs. Here, the goal is one of "vertical equity."

That Manitoba has some distance to travel to achieve an "ideal" equality of opportunity for its students is recognized both by the Minister of Education in the terms of reference for the Review, and by many of the presentors to the Review's hearings. As noted earlier, the rationale for the Review reads, in part:

... the degree to which the Education Support Program has enhanced equality of educational opportunity for children ... remains in question.... It is hoped the result of the Review will be recommendations for a new system of finance which will allocate resources in such a way that schools may provide programs and services to enhance equality of educational opportunity for students throughout the province.²

Some briefs to the Review express concern over the possibility of reduced program offerings in the face of declining enrolments, small schools, sparsity of student populations, high transportation costs, policies of restraint, etc. Other briefs seek an expansion, particularly in view of technological advances, in the concept of a basic educational program. Equality of educational opportunity, it is claimed, can be enhanced.

²"Education Finance Review," pp. 2-3.

Table I, below, contains information on per pupil operating costs in Manitoba school divisions, 1981-83. In 1981, the average operating cost, per pupil, amounted to \$2529. The division with the lowest cost expended \$1942, while the division with the highest cost expended \$3139. The spread between the highest and lowest per pupil operating costs was \$1197. By 1983, this range -- from \$2635 to \$3880 -- amounted to \$1245. While equality of educational opportunity certainly does not imply equal dollars per pupil in expenditure, a spread of \$1245 between the highest and lowest spending divisions could mean a considerable discrepancy in program offerings, with a lesser degree of student equity in the lowest spending division.

TABLE I
AVERAGE OPERATING COSTS PER PUPIL
IN MANITOBA SCHOOL DIVISIONS*, 1981-83**

	AVERAGE OPERATING COST	LOWEST OPERATING COST	HIGHEST OPERATING COST	RANGE
1981	\$2529	\$1942	\$3139	\$1197
1982	\$2979	\$2374	\$3592	\$1218
1983	\$3310	\$2635	\$3880	\$1245

*Excluding Frontier School Division

**Source: Public Schools Finance Board

The Canadian Teachers' Federation, in a 1973 publication entitled New Goals, New Paths: The Search for a Rationale for the Financing of Education in Canada, contends that equality of educational opportunity is far from being met and that the prime reason for this is the inequality in local resources:

Empirical evidence shows that participation rates for education do vary by income and social class, that expenditures per pupil do vary by the income level of the community.³

It is recognized, of course, that improved funding of the public school system by itself may not bring about the ideal of equal educational opportunity. As studies by Christopher Jencks have pointed out, inequality of opportunity may be reduced less by compensatory education than by funding "outside" of education in such areas as pre-school nutrition, or by a more equitable redistribution of family income.⁴

Further, the external examiners of the Organization for Economic Cooperation and Development indicated in 1976 that Canada (and Manitoba) faces a number of specific difficulties in trying to achieve an equality of educational opportunity "not shared by most other countries in either severity or extent: geographic distances, firmly established and widespread decentralization of responsibility, strong regional disparities, and a multiplicity of linguistic minorities."⁵ For the O.E.C.D., equality of opportunity may be impossible to achieve.

³H.P. Moffat and W.J. Brown, New Goals, New Paths: The Search for a Rationale for the Financing of Education in Canada (Ottawa: The Canadian Teachers' Federation, 1973), p. 5.

⁴Christopher Jencks, Inequality: A Reassessment of the Effect of Family and Schooling in America (New York: Harper Colophon, 1973).

⁵Organization for Economic Cooperation and Development, External Examiners' Report on Educational Policy in Canada (Toronto: University of Toronto Students' Administration Council, 1976), p. 6.

The Education Finance Review is aware, then, that any education finance plan which promotes equality of educational opportunity should endeavour to allocate funds in such a manner as to ensure access to educational programs for all students, and to provide for a variety of programs to meet the differing needs of the total school population.

2.2 Taxpayer Equity

Fiscal equity implies fairness or justice in the imposition of taxes, or in the collection from taxpayers of the funds necessary for education. However, fiscal inequity frequently tends to occur when a local property tax constitutes a large part of the tax monies levied for educational purposes. For example, school divisions low in property wealth may tax at higher than average tax rates, yet realize lower than average revenues. Conversely, divisions with strong tax bases may spend higher than average sums on education while being able to maintain lower than average tax rates. Thus, school expenditures may vary directly with the property value of a division rather than with the tax effort citizens exert to finance education. Taxpayer inequities are evident.

Fiscal inequity is reflected in Table II, page 18, which shows the 1983 balanced assessment per pupil (BAPP) in current dollar values in Manitoba's school divisions and districts. The range in BAPP is from \$4151 in Frontier School Division #48 to \$28666 in Leaf Rapids School District #2460. Even if those divisions and districts situated primarily in northern Manitoba are excluded because of the peculiarities of their property assessments, the range is from a BAPP of \$8561 in Lakeshore School Division #23 to a BAPP of \$26172 in Fort Garry School Division #5. Thus, Fort Garry School Division is able to collect three times as much money per pupil, with each mill levied, as Lakeshore is able to collect with each mill it levies.

TABLE II
BALANCED ASSESSMENT PER PUPIL*

Division Number	Division Name	1983 Balanced Assessment	1983 Eligible Enrolment	Balanced Assessment Per Pupil
1	Winnipeg	785852070	31891.5	24641
2	St. James-Assiniboia	270141710	13161.5	20525
3	Assiniboine South	99969460	5692	17563
4	St. Boniface	98681110	6657	14824
5	Fort Garry	158891860	6071	26172
6	St. Vital	112931820	7117.5	15867
8	Norwood	37093870	1516.5	24460
9	River East	175930130	12685.5	13869
10	Seven Oaks	116835110	7567	15440
11	Lord Selkirk	67416390	4902	13753
12	Transcona-Springfield	106042200	7910	13406
13	Agassiz	40889440	2849.5	14350
14	Seine River	42143840	3942	10691
15	Hanover	44848150	4836.5	9273
16	Boundary	16550140	995.5	16625
17	Red River	19185430	1222.5	15694
18	Rhineland	22254400	1363.5	16322
19	Morris-Macdonald	34406250	1477.5	23287
20	White Horse Plain	15679210	1162.5	13487
21	Interlake	38811330	3048	12733
22	Evergreen	32582980	1921	16961
23	Lakeshore	16094170	1880	8561
24	Portage la Prairie	65234870	3390.5	19240
25	Midland	39863000	1775	22458
26	Garden Valley	31159990	2127.5	14646
27	Pembina Valley	19620620	861.5	22775
28	Mountain	16824950	1283	13114
29	Tiger Hills	26382660	1434	18393
30	Pine Creek	21151030	1581.5	13374
31	Beautiful Plains	31581390	1811	17439
32	Turtle River	14558390	1690	8614
33	Dauphin-Ochre (Area 1)	39901440	2430	16420
34	Duck Mountain	10247530	1154	8880
35	Swan Valley	36694760	2246	16338
36	Intermountain	26621200	1812.5	14688
37	Pelly Trail	24539670	1329	18465
38	Birdtail River	33065070	1508.5	21919
39	Rolling River	42505980	2135.5	19904
40	Brandon	133416660	7252.5	18396
41	Fort la Bosse	40051820	1982	20208
42	Souris Valley	24920400	1161.5	21455
43	Antler River	26853420	1279	20996
44	Turtle Mountain	33855990	1620	20899
45	Kelsey	23420700	2313	10126
46	Flin Flon	15763300	1613	9773
47	Western	22471340	1260.5	17827
48	Frontier	11855310	2856	4151
Divisions		3165792560	179777	17610
2264	Churchill	6579160	317.5	20722
2309	Snow Lake	3129330	463	6759
2312	Lynn Lake	2492960	440	5666
2355	Mystery Lake	30453810	3768.5	8081
2439	Sprague	2369660	214.5	11047
2460	Leaf Rapids	14189570	495	28666
2461	Gypsumville	1048460	82.5	12709
Districts		60262950	5781	10424
Prov. Total		3226055510	185558	17386

*Source: Public Schools Finance Board

Fiscal inequity also occurs simply because the property tax is a regressive one, i.e., the relative burden of the tax rests more heavily on people of lower income or wealth than upon those in the upper income levels. In Manitoba, the regressivity of the property tax is offset to some extent through the property tax credit granted to home owners and pensioners, and the property tax rebate paid to tenants and those on low incomes.

In the opinion of many of the presentors to the Education Finance Review (and to the hearings resulting from the report of the Weir Commission), taxpayer inequity results from assessment practices and procedures, in addition to taxation policies. Briefs contained numerous examples of what were considered unfair tax burdens, and frequently called for appreciable reduction in, if not abolition of, the property tax. There were certainly calls, too, for a reduction in student equity to reduce taxpayer inequity.

The mandate for the Education Finance Review recognized disparities in revenue capacity associated with property taxes:

It is recognized that there is an extreme disparity in the capacity of school divisions to raise money on their property tax bases. A new financing scheme must take this into account and either limit reliance on special levies or provide some means of equalization.⁶

Thus, any plan for funding educational expenditures which reflects an objective of achieving greater fiscal equity could be expected to provide a measure of relief from the property tax.

⁶"Education Finance Review," p. 5.

2.3 Local Autonomy

Since 1867, when the British North America Act assigned jurisdiction over education to the provinces, the Manitoba government has delegated a good deal of responsibility to local school districts and divisions. Presumably, the government has felt that the locally-elected school board⁷ should have a strong voice in determining policies for its schools, its teachers, its students.

Education finance programs in Manitoba traditionally have been funded by both provincial and local tax revenues. The view is held that if some funding is required from the local taxpayer, the school board will tend to take more seriously the expenditure of those funds than would be the case if all monies were to come from the provincial government. Traditionally, local autonomy in Manitoba has implied a local property levy. However, there is no unanimity of opinion on an appropriate provincial/school division split in funding. Whether or not a special levy of one, five, ten or twenty per cent of a school division's operating expenditure is sufficient to guarantee local autonomy is open to conjecture.

Further, there should be considerable school division discretion in the expenditure of provincial grants, in the view of supporters of the principle of local autonomy. Some portion, or perhaps the major portion, of provincial funding should be in the form of a block grant, with the school board determining its expenditure.

Many submissions to the Education Finance Review made reference to the principle of local autonomy. The Manitoba Teachers' Society advocated full provincial funding, with grants based on programs. The

⁷For some, local autonomy implies decision-making at school, rather than school board, level. Decision-making should involve those who are most affected by those decisions.

Manitoba Association of School Trustees, on the other hand, proposed 80% provincial coverage, with the major portion of the funding in the form of a pupil block grant. Further, the Manitoba Teachers' Society recommended a regional delivery of service. The Manitoba Association of School Trustees essentially seeks retention of the existing degree of local autonomy experienced by school boards; the Manitoba Teachers' Society proposals, in the opinion of the Review, would tend to reduce the local autonomy of school boards.

Submissions from many special interest groups proposed categorical, as opposed to block, grants. The Review heard requests for continuation of, or new, grants for libraries and librarians, resource centres, professional development, curriculum implementation, special needs, English as a second language, physical education, heritage languages, guidance and counselling, etc. Many felt that the local autonomy associated with block grant funding tended to deprive students of essential program needs. Others were of the opinion that specific categorical grants, especially in the area of special education, so restricted local decision-making that programs were implemented to gain funding rather than to meet students' needs.

The Education Finance Review heard opinions, also, on the need for changes in governance structures: in some cases to create larger divisions; in other cases to create smaller decision-making units. In both situations, the existing thrust of local autonomy would be altered.

The mandate for the Education Finance Review makes no specific reference to local autonomy, although mention is made of the possibility of limiting the reliance on the special levy. The Review is aware, though, from addresses delivered recently by the Minister of Education, of the Government's commitment to the principle of local autonomy.⁸

⁸In particular, the Minister upheld the principle of local autonomy in her address to the annual general meeting of the Manitoba Association of School Trustees, March 18, 1983.

In summary, then, any government which intends in its education finance plan to preserve local autonomy will permit school boards a considerable voice in the expenditure of provincial funds assigned to education. Some portion of any provincial grant will almost certainly go to divisions without strings attached. In addition, the Province may leave some room for a local levy. It will also try to ensure that the high degree of centralization involved in raising revenues and dispersing grants need not adversely affect the principle of decentralized decision-making.

2.4 Accountability

According to the principle of accountability, in expending public funds for education, both provincial and local authorities are responsible for establishing priorities, for scrutinizing programs, for reconciling needs with costs. They are to act responsibly. There is a need to be effective, to disperse grants or to expend funds in a manner that provides students with full opportunities to learn. There is also a need to be efficient, to allocate monies appropriately, to avoid duplication and waste, to evidence restraint. Decision-making is subject to measures of both productivity and efficiency.

The Education Finance Review received submissions calling for more accountability. As examples, various presentors were not sure that low and high incidence funding reached those for whom the grants were paid, or that French grants were allocated over and above existing grants to schools, or that the small schools grants were supplementary to current levels of funding. Supporters of program funding saw the necessity of much greater precision in allocation of monies. Widespread support was expressed for FRAME (Financial Reporting and Accounting in Manitoba Education), for standardized accounting procedures that would facilitate more responsible decision-making.

In recognizing the principle of financial responsibility, any fully accountable education finance plan will promote reconciliation of costs with maximum effectiveness and efficiency.

2.5 Balancing the Principles

In endeavouring to bring in recommendations for the financing of education in Manitoba, the Education Finance Review has been conscious of these underlying principles, and of a desire to respond positively to all four. The response, however, must involve compromise. While adherence to one principle does not necessarily rule out acceptance of another, while the principles are not mutually exclusive of each other, enhancement of one may be at the expense of another. If the Province wishes to ensure equality of educational opportunity for all students, might its funding policies detract from local autonomy? Fiscal equity could be more effectively achieved were special levies abolished; such a move, however, could be seen as a reduction in significant decision-making at the local level. Can the provincial government, with ultimate responsibility for education, permit parents to deny an education to their children? Can the provincial government, particularly when there is so much mobility in population location, permit local taxpayers to so tax themselves that children receive an education of poorer quality than that in neighbouring divisions?

The Education Finance Review, in considering the principles of equality of educational opportunity, fiscal equity, local autonomy and accountability, has been aware of the need for balance, for compromise.⁹

⁹The Review is aware, further, that funding mechanisms are not the only means of responding to these underlying principles. For example, the Government through legislation and regulations relating to resource programs may respond just as effectively to the "equality of opportunity" for learning disabled children as through special needs high incidence grants.

III. EDUCATION FINANCE PROGRAMS: RELATIONSHIP TO PRINCIPLES

As indicated in the introduction to this Report, the Education Finance Review examined education finance programs in other Canadian provinces, and elsewhere: foundation programs, percentage and power equalization plans, and full provincial funding. Proposals of a voucher variety also received attention. It is not the intention of the Review to provide a comprehensive study of education finance plans, but rather to view them in relation to their responsiveness to principles of student equity, taxpayer equity, and local autonomy,¹ and hence, in relation to their relevance for Manitoba in 1983.

A brief overview of education finance programs² has relevance for the Review's recommendations since Manitoba's schools were funded under a Foundation Program from 1967 to 1980, and a stated objective of the current Education Support Program, introduced in 1981, was to maintain the foundation principle. In addition, during the course of its hearings, the Review received briefs in support of foundation programs, full provincial funding, and adaptations of power equalization concepts to the Manitoba scene. One presentation to the Review supported vouchers.

¹The degree of adherence to the principle of accountability in each education finance plan is not dependent on the plan itself. Any fully accountable education finance program will promote reconciliation of costs with maximum effectiveness and efficiency.

²The Review acknowledges input from the Manitoba Teachers' Society whose 1970 and 1975 education finance studies provide a good deal of information on various education finance schemes.

3.1 Foundation Plans

In any foundation plan, a basic or foundation level of educational services is defined by the Province and assured to each school division. The local contribution to the Foundation Program is determined by the yield of a uniform provincial mill rate on the equalized (or balanced) assessment of real property, while the provincial contribution from consolidated revenues makes up the balance of the funds required for the Program.³ Such programs enable the province to determine the foundation level of financial support, and they also attempt to ensure equality of educational opportunity up to the basic level, and with comparable effort by all school divisions.

There are two types of foundation programs: the Mort Plan and the Maryland Plan. The Mort Plan generally measures the foundation level in terms of dollars per pupil, or dollars per weighted pupil.⁴ In its earliest form, the per pupil amount was determined by calculating the number of dollars per pupil needed to provide qualified teachers at a specified pupil-teacher ratio, along with the necessary equipment, supplies, and books. The per pupil grant also provided for the maintenance and operation of school buildings as well as for administration.

³Offerings at school division level, over and above the "basic" program, are financed by a local (special) levy on property.

⁴Mort contends that a fixed number of dollars per actual pupil does not necessarily provide for equality of educational opportunity since some students cost more to educate than others, e.g., pupils in small schools; secondary students; handicapped pupils; children in high cost-of-living areas; and pupils in urban core areas. He has suggested that such pupils be weighted to compensate for differences in educational costs. For example, if it costs twice as much on the average to educate a secondary student as an elementary one, an elementary student may be counted as one weighted pupil and a secondary pupil as two. Other categories of students may be weighted in the ratio that the mean cost of educating them bears to the average cost of educating an elementary student.

In later practice, the per pupil amount was frequently set at or near the average expenditure per pupil in the province, or at the expenditure level of a board of average financial ability.

With the Mort plan, the uniform local mill rate is determined by calculating the mill rate that the wealthiest large district (the key district) would need to raise the total funds for its foundation program. Thereafter, all districts in the state or province would be required to levy the same rate, enabling each to provide the foundation level of school support at a similar mill rate. In this type of support program, the total amount of provincial aid is entirely dependent on school authorities' ability to pay. For this reason, many states or provinces set the uniform mill rate at a level to provide a predetermined percentage of the total foundation program.

There are several advantages to the Mort plan. It is easy to administer since a province needs information only on assessment and the number of weighted pupils. Funding under this plan can provide for both tax relief and equalization aid. There is also provision for a good deal of local autonomy. On the other hand, there is no real incentive for divisions to experiment with new programs since all costs above the basic foundation program must be borne through local property taxes. It seems difficult, too, for provinces using the Mort plan to make adjustments to the per pupil grant; the formula needs constant revision due to increasing costs.

The Maryland plan was first used in that state in the 1920's. It differs from the Mort plan in that it is not based on a uniform per-pupil or per-weighted pupil grant. For the major portion of the foundation program (teachers' salaries), it depends on a provincially-determined teacher salary scale based on professional qualifications, years of experience, and any measurable area of responsibility. The foundation support level of each division is thus determined by the sum of the following grants:

1. According to a provincially-determined staff/student ratio the number of authorized teachers is calculated. Each authorized teacher is then placed at his or her level on the provincial salary scale, and the grants for all authorized teachers are totalled.
2. A sum for other operating expenses is allocated by one of three methods:
 - a) a percentage of the teachers' salary portion;
 - b) a flat number of dollars per authorized teacher;
 - c) actual expenditures for administration, maintenance, supplies and equipment up to individual maxima stated in the formula.
3. An amount for approved transportation expenditures is included.

Because of variations in the distribution of teacher qualifications and years of experience among boards, the Maryland plan does not result in a uniform per pupil grant to each school division. Thus, use is not made of the key-district concept in setting the uniform local mill rate. Rather, the mill rate, which determines the local share of the foundation program and consequently the provincial grant, is set at the point considered politically desirable, i.e., at the point where either the grant will be a predetermined percentage of the total provincial foundation program, or it will represent a politically satisfactory rate of taxation on local resources.⁵

Beyond those advantages claimed for the Mort type of foundation program, the Maryland plan has an additional factor in its favour.

⁵In Manitoba, in the latter years of the Foundation Program, the uniform mill rate (foundation levy) was set annually at a level which raised 20 per cent of the total provincial cost of the Program.

In theory, there is a built-in incentive for school boards to hire highly qualified and experienced teachers, and to encourage those on staff to undertake additional studies, since foundation program grants will increase. In practice, this occurs as long as the provincial salary scale on which grant calculations are based approximates the actual salaries paid to teachers. As with the Mort plan, provinces seem to find it difficult to upgrade the teacher grant, and annual revisions have not generally occurred.

3.2 Equalization Schemes

Foundation plans for financing education endeavour to "equalize" per pupil educational expenditures among school divisions. Percentage or power equalizing schemes seek to "equalize" the fiscal capacities of school divisions, i.e., they strive for financial equity. As proposed originally by Harlan Updegraff, equalization is achieved by guaranteeing a state or provincial average assessment per pupil to those divisions below the average. This assures that the same mill rate will exist in each local division if the same per pupil expenditure is made.

The Updegraff Plan pays to each school board below the provincial average in ability to pay, a certain percentage of its expenditure. This percentage depends on the ratio of the board's actual per pupil assessment to the average provincial assessment on the same basis. Thus, the provincial grant is in inverse proportion to the wealth of the division, or in short, its ability to pay.

The main advantage of the percentage equalizing grant is that it permits each school division to set its own "foundation" level, and yet guarantees that for any two school areas regardless of wealth, the mill rate on the equalized assessment will be similar if the expenditure per pupil is the same. A poor board and wealthy board, each spending \$3,000 per pupil, will impose the same mill rate. Any increase or

decrease in expenditure per pupil is reflected in a corresponding increase or decrease in the mill rate. Thus, the plan provides for local autonomy and local decision-making.

The Updegraff variable percentage plan encourages poor boards to increase their local expenditures since, unlike the foundation plans, there is no ceiling above which expenditure becomes the sole responsibility of the school division. This may be an advantage from the point of view of providing incentives. However, it is likely a disadvantage provincially since the Province has little control over local expenditures. In fact, most states or provinces have found it necessary to put an upper limit on the expenditures that will be eligible for grant.

Another major disadvantage of the percentage equalizing grant is that it sets no minimum standard of educational services, and a board can easily limit its spending in order to achieve a low mill rate. Thus, the plan could fail to equalize program offerings since economy could take precedence over quality education.

3.3 Full Provincial Funding

Here, the central education authority undertakes to finance the full cost of elementary and secondary education from central revenue sources.⁶ The state or province may administer the schools

⁶Since the major source of local school revenue in North America has been taxation of real property, there is a common impression that complete provincial aid decreases or eliminates property taxation for education. This is not necessarily so, because a tax on property may be levied as easily by a provincial government as by a local authority. Nor is it so that a provincially-funded system of education would reduce an individual's tax requirement for education.

directly, as in Hawaii, or delegate varying degrees of administrative powers to local school authorities, as in New Brunswick. In any case, the final determination of the provincial budget for education costs is the responsibility of the central authority.

The claimed advantage of total provincial financing of education is that it tends to ensure equality of educational opportunity to the extent that the provincial budget allotment permits it. Opponents feel that, since the Province is not likely to fund up to the level of the high spending divisions, the equality of access may be to program offerings of mediocre quality. Further, "lighthouse" divisions may disappear.

It is further claimed that the plan insures greater fiscal equity in that each community contributes to the cost of education in proportion to its ability to pay, based on its tax resources available for schools.

A possible disadvantage of total provincial financing is that it could eliminate, or at least seriously diminish, local participation in, or responsibility for education. However, it should be noted that some proponents of full provincial funding believe local autonomy would be enhanced if their proposals were implemented. They feel that school boards, once liberated from concerns over tax rate increases, could concentrate their efforts on the true interests of local control -- the nature and quality of education that is provided for the children of their locality.

3.4 Voucher Systems

The voucher system, as originally proposed by Milton Friedman of the University of Chicago, is the best known alternative to the more standard measures discussed previously. Under Friedman's plan, governments would continue to administer some public schools, but parents who

chose to send their children to other "approved" schools would be paid a sum, or be issued a credit equal to the estimated cost of educating a child in a public school, provided that at least this sum was spent on education in an approved school. The approved school could charge any amount it desired at or above the value of the voucher, with the parent or guardian assuming the additional costs.⁷

There are other proponents of voucher schemes who advocate abolition of the public school system, with parents "shopping around" amongst private schools, applying use of their educational vouchers as they see fit. Supporters of voucher schemes believe that competition amongst schools would promote programs and instruction of high quality. However, opponents see such schemes as destroying equality of educational opportunity since wealthier parents could afford to spend more money above the value of the voucher, thereby sending their children to "better" schools, than could less affluent parents.

3.5 Capitalizing on the Strengths

The Education Finance Review, then, has been made aware of the advantages and disadvantages of various education finance plans. Obviously, it would wish to capitalize on the good features of each, since it is attempting to balance principles of equity and autonomy -- and to face political reality. Is it possible to combine the student equity inherent in full provincial funding with the local autonomy associated with foundation programs and with the fiscal equity built into equalization schemes?

⁷Such a scheme was implemented for the public schools in Alum Rock Union School District, San Jose, California, in 1972.

Certainly, all provinces that have not moved to full funding have "hybrid" schemes.⁸ Quebec's new program implemented in the 1980-81 fiscal year, and British Columbia's new program awaiting the end of restraint, are adaptations of earlier foundation programs. The new Saskatchewan Foundation Grant is essentially power equalizing with a ceiling, characteristic of Ontario's percentage equalizing plan of the seventies.

The Education Support Program in Manitoba has moved away from the Maryland-type Foundation Program of 1967 to become an adaptation of both the Mort and Maryland programs. There are also flat grant components, full provincial funding of approved capital costs, equalization grants and tax credits. Yet the degree to which the Education Support Program is successful in balancing student equity, taxpayer equity and local autonomy has been the subject of considerable debate during the course of the Review's hearings and deliberations.

⁸Two recent reports on education finance in Canada have been available to the Review:

- "Economics and Financing of Education," a paper presented to the Canadian Association for the Study of Educational Administration (CASEA) at the Annual Conference of the Canadian Society for the Study of Education (CSSE), by Stephen Lawton of the Ontario Institute for Studies in Education, June 9-13, 1982, Ottawa.
- "Education Finance in Canada," a report prepared for the Organization for Economic Cooperation and Development by John Levangie, Nova Scotia, in cooperation with finance personnel from all of the Provincial Departments of Education, June 1983.

IV. THE EDUCATION FINANCE REVIEW IN CONTEXT

It is important to note that pre-conditions were not imposed on the Education Finance Review by the Minister or by the Government. While the Review was to give priority to consideration of certain key issues such as revenue disparities and compensatory programs, its mandate was a broad one -- consideration of all aspects of education finance. Nevertheless, the economic, social and historical context in which the Review has taken place is relevant to the recommendations contained in the Report.

The following discussion is far from an exhaustive account of the "climate" for the Review. Rather, it is an indication of some of the major factors bearing on the Report's recommendations.

4.1 Changing Expectations of Schools

The Review is aware that there continues to be some dissatisfaction¹ with the public school system in Manitoba. There are continuing demands for "back to the basics" curricula, for a return to "tougher standards," for emphasis once more on values and morality.

There are demands, too, for new directions -- for more "appropriate" educational programs for such groups as native people, immigrants, the handicapped and the disadvantaged. Further, the changing

¹Briefs and presentations to the Review appeared to reflect less dissatisfaction than was evident perhaps five years ago. Certainly, the extent of dissatisfaction currently under discussion in the United States seems not to be indicative of the Manitoba scene.

role for women is leading to new expectations for the education of all students. The idea of one "basic" education for all is giving way to educational programs tailored to specific groups or needs: inner city; language immersion; heritage languages; small schools; etc. The area of "special needs" is expanding, with a new concern about the boundary, if any, between special projects, special programs and education as a whole.

In spite of these changing expectations, however, the Review has not heard calls for an end to schooling. While there is hope that schooling can be improved, and that education in schools can be assisted greatly by new technologies, Manitobans want schools to stay. A function of education finance is to enhance access to a wide variety of quality programs, delivered primarily in school facilities.

4.2 Emphasis on Planning and Priorizing

The Government's current emphasis on planning in all of its departments has had a bearing on the Review's deliberations. Certainly, recommendations should not be made without a good deal of consideration for the years beyond 1983.

Within Government at the present time, there is also an emphasis on "repriorization." The Education Finance Review is aware of the need to consider re-allocation of funds as well as new funding allocations. There is need to consider management of growth and to seek for improvements in accountability. The timing of implementation is also an important consideration.

The Review feels that subsequent sections of the Report dealing with recommendations, cost projections, and implementation suggestions reflect a planning emphasis.

4.3 Economic Factors

Economically, 1982/83 in Manitoba has been characterized by unemployment, inflation, bankruptcies, deficits. Government expenditures, essentially to combat unemployment, have risen; government revenues in a time of recession have declined. The demands of the Department of Health, the Department of Community Services and Corrections, indeed, of all departments, on the Provincial Treasury are equally as heavy as those of the Department of Education. The tax field is limited. Enhanced transfer payments from the Federal Government² seem not to be in the offing at the present time. Thus, the Education Finance Review is aware that additional large sums of money for education may not be available for January, 1984.

However, there are signs that the economic climate is improving. Premier Howard Pawley, in an address to the Ukrainian Professional Business Federation on May 22, 1983, is quoted as saying that the corner has been turned on the road to economic recovery, that the recession has bottomed out.³ The Education Finance Review, then, may well hope that its recommendations will be implemented over a period of time, in a gradually improving economy.

4.4 Report of the Weir Commission

The Report of the Manitoba Assessment Review Committee has relevance for the Review. Implementation of some or all of the Weir Commission's recommendations would have an effect on the validity of

²The Review notes, ironically, a statement by columnist Lesley Hughes in The Winnipeg Sun, May 8, 1983 (Mothers' Day): "It will be a great day indeed, when our schools have all the money they need, and the military has to hold a bake sale to buy a bomber."

³"Pawley predicts good times," article in the Winnipeg Free Press, May 24, 1983, p.3.

recommendations on education finance. As an example, equalization grants based on balanced assessments per pupil could fail in their objective if changes in assessment altered the balanced assessments per pupil of school divisions in relation to one another. In addition, major shifts (e.g., urban to rural) could occur in the collection of the provincial education tax, with resulting effects on local taxation. These are but two of the many implications for education finance of the MARC Report, to which reference will be made in other sections of this Report.

4.5 Degree of Acceptance of the Education Support Program

The work of the Education Finance Review included an assessment of the status of the existing Education Support Program -- from the points of view of those in the field and of those administering the Program within the Department of Education. In addition to receiving a wide variety of opinions from many individuals, the Review solicited specific responses from the Manitoba Association of School Trustees, the Manitoba Association of School Superintendents, the Manitoba Association of School Business Officials and the Manitoba Teachers' Society. As a result, the Review has amassed a great deal of information on the Education Support Program.

It may be appropriate first to look at those opinions which are a response to the announced objectives of the Education Support Program, and then to examine other opinions which have had the most relevance for the recommendations advanced later in this Report. The objectives of the Education Support Program, and the opinions expressed to the Review in relation to those objectives, are summarized as follows:

- 1) The Foundation Program principle should be retained.

The Education Support Program is certainly a type of Foundation Program. While it varies from the previous Foundation Program in that grants are not primarily related to authorized teachers, the basic operating support and the extra operating support are in effect an adaptation of the per pupil grant concept of the (Mort) Foundation Program. However, the Education Support Program has not "defined" a basic program.

- 2) The major portion of school board expenditures should be covered.

Presentors would feel that this has been accomplished, with local exceptions. Some areas in the province appear still to face heavy special levies.

- 3) There should be increased provision for equalization over the entire system.

The uniform provincial levy, as a means of providing a greater degree of equalization, receives support. However, the fact that supplementary grants have been added in 1982 and 1983 indicates an inherent weakness in the Education Support Program's response to disparities in revenue capacity.

- 4) There should be opportunities for planning by school division authorities beyond the current year.

Opportunity is present, but in many divisions no planning beyond the current year has taken place. It would appear that the provincial government has to mandate planning guidelines. There is also an ongoing concern over the lateness of the announcements concerning specific amounts of government funding to be allocated to various categories.

- 5) The principle of local autonomy should be preserved, with opportunity for authorities to address local problems and needs.

Presentors to the Review generally felt that this principle was recognized in the Education Support Program over the past three years. However, some felt that there was little "meaning" in local autonomy when the general state of the economy provided little lee-way for local decisions.

- 6) There should be an increased share of the support program from general revenues of the province, thus effecting a shift from taxation on real property.

Much concern is expressed over the Education Support Program's reliance on the property tax. The tax is seen as a particularly heavy burden in assessment-poor divisions. (On the other hand, there is some resentment that property tax credits fully offset the education tax for many residents.)

- 7) There should be incentives, or categorical grants, where it is considered necessary, to encourage development and expansion of programs and services.

It would appear that the above objective was achieved in the area of special education, if not elsewhere. Many examples of enhanced programming and of new programs were presented to the Review. However, while there is praise for the increased financial assistance, there are mixed reactions to the method of distributing special needs funds. Certainly, there is support in many areas of the "categorical" nature of the Education Support Program's coordinator, clinician, and low incidence grants. But there are many others who would prefer

a special needs "block" grant, perhaps based on a percentage of the total student population. Concerns are expressed, too, over labelling, over seeming support for segregated classes rather than for integrated programs, over the fact that funds may not reach those for whom the grants are intended, over variations in support for technicians in urban and rural areas, over the provision to hire two aides or one resource teacher, over central rather than local decision-making on special needs programming. There are also many special interest groups who would extend special needs categories to include libraries and librarians; physical education, music, art and drama teachers; and guidance counsellors. Further, the use of the September 30th date necessitates introduction of new (and expensive) special education programs totally at school division cost.

- 8) There should be safeguards against sudden loss of revenues by school boards because of declining enrolment.

The use of a base enrolment, and the guarantee of a September 30th pupil count for the ensuing calendar year, are viewed as cushioning the effect of declining enrolment. However, while individual districts and divisions may be helped, the overall increase in the size of the provincial program is curtailed by enrolment decline. Further, in relation to declining enrolment, no consideration is given in the Education Support Program to growth in programs and related staffing issues. In addition, those divisions with expanding enrolments feel that they are penalized.

- 9) The support program should be reviewed and evaluated at the conclusion of its three year mandate.

Essentially, personnel in the field and within the Department feel that the current Education Finance Review is a response to the reassessment directive.

Other expressions of opinion have relevance for the Review, as follows:

- 1) The inequities associated with real property assessment policies and practices are viewed as a basic weakness in the Education Support Program. For many residents of the province, a sense of injustice is so all-consuming as to affect adversely their attitude to education itself, and not only to the issue of financing education.
- 2) All segments of the educational community support the block grant concept of the Education Support Program (although not necessarily its close relationship to numbers of pupils). School boards are happy with the greater degree of flexibility in the allocation of funds permitted to them in the Education Support Program over the previous Foundation Program.
- 3) The use of 1980 as a base year for calculation of grants, in the opinion of some, penalizes those divisions which were low spenders in a year of restraint. They believe that the block grant should be based on an average cost of all districts and divisions, and not on the specific school division's previous expenditure pattern.

- 4) Appreciation of the guaranteed inflation factor is expressed in all quarters, although the Review heard concerns over the lack of indexing of all components of the Program. (There is an awareness, too, that increased funding of categorical grants reduces the size of extra operating support.)
- 5) Improvements in cash flow, inherent in the Education Support Program, are also appreciated.
- 6) Provision of support for English as a Second Language programs for immigrant students is viewed as a feature of the Education Support Program worthy of retention. There is support for extending English as a Second Language funding to include those not now eligible such as native children.
- 7) Concern is expressed that the Education Support Program makes no provision for compensatory program funding, particularly in inner-city Winnipeg schools.
- 8) Concern is also expressed that the Education Support Program makes no provision for the additional costs associated with curriculum implementation.
- 9) Submissions to the Review generally acknowledge the adequacy of vocational education grants. However, it is felt that the requirement of a 30:1 pupil-teacher ratio for eligibility for the vocational teacher grant works a hardship on small vocational schools.
- 10) Some segments of the education community feel that the Education Support Program does not address adequately

the "additional costs" associated with French language and heritage language programs. Further, there is a concern that the \$50.00 grant for core or basic French is inadequate, and that no additional funding is allocated to bilingual programs.

- 11) Briefs submitted to the Review in Thompson and The Pas point out what is considered to be an unrealistic northern cost differential built into the Education Support Program.
- 12) Concern is also expressed over the failure of the Education Support Program to respond to problems associated with residual costs and non-resident fees.
- 13) Finally, there is evidence of a concern in many parts of the province that the Education Support Program's funding of transportation primarily on a pupil basis fails to take into account road conditions, density of population, variations in costs, safety considerations, etc. Those in cities, towns and villages feel discriminated against, and parents with children in special language programs worry over the prospect of user fees. There is support for funding based on loaded miles, or vehicles, or routes.

As noted earlier, the mandate for the Education Finance Review expressed some concerns over certain features of the Education Support Program. It also recognized the existence of positive features. The Review is aware that a new education finance program should not simply apply band-aids to the Education Support Program's sores; but neither should it ignore the present scheme's beauty spots.

V. GOVERNMENT SUPPORT FOR EDUCATION: RATIONALE AND RECOMMENDATIONS

The recommendations of the Education Finance Review are dealt with under the headings -- source of funds; disbursement of funds; governance -- as directed by the Minister of Education in her terms of reference¹ for the Review. In the case of each recommendation, a rationale is first established. A summary of the recommendations appears at the conclusion of this section, commencing on page 163.

To avoid duplication, the discussion on the three priorities established by the Minister for the Review will not occur here. Recommendations are included where most appropriate, as follows:

Socio-economic factors:	Compensatory Education, pp. 74-89
Revenue disparities:	Equalization Grant, pp. 119-120
Declining Enrolment:	Government Support for Education, Block Grant, pp. 120-123

5.1 Source of Funds

The Minister of Education asked the Review to make recommendations on "the most equitable way of raising the funds needed for education expenditures by schools."² This challenge initially necessitates some discussion of the inequities associated with the current means of raising monies for subsequent school spending.

¹"Education Finance Review," p. 4.

²Ibid., p. 4.

Inequities: Property Tax; Property Tax Credits; Assessment

Taxpayer inequity in Manitoba stems primarily from a heavy reliance on the property tax and outdated real property assessment practices. As noted earlier³ in the consideration of fiscal equity, the property tax is allegedly regressive since the poor spend a greater portion of their income in paying the tax than is required of the rich. Many also hold that the tax is inherently unjust because property assessment is unreliable, and because assessment may be influenced by political or economic interests within a particular community. A question also arises as to whether or not the property tax causes economic distortions by the failure of homeowners to improve property, or by an acceleration of the flight of taxpayers to the suburbs. According to generally accepted criteria, the property tax per se is one of the worst forms of taxation.

The general trend in Canada during the last two decades has been in the direction of property tax relief. The situation in other provinces is relevant for Manitoba for comparative purposes. Currently,⁴ New Brunswick and Prince Edward Island provide 100% of the operating and capital expenditures of school jurisdictions from consolidated revenues. While there are provincially-collected property taxes, they are not associated with education, and there are no local levies. In Newfoundland property taxation is applied only on a very limited basis: 5% of expenditures may be raised by local school tax authorities. In Alberta,⁵ the School Foundation Program Fund provincial levy applies only to commercial and industrial property. In 1983, it will raise 16% of the monies subsequently paid to school boards; the remaining 84% will be obtained from the general revenues of the Province. In 1982 in Ontario, 50.6% of school expenditures were funded from the consolidated revenues of the Province;

³See pp. 17-19.

⁴Information provided from "Education Finance Canada," produced by Departmental Finance Officers, 1983, pp. 14-16.

⁵Alberta Education, "News Release," March 30, 1983.

for Saskatchewan in 1982, the comparable percentage was 51.8%. While British Columbia's grant formula is "suspended" during a period of restraint, residents there will pay only a local property tax; the provincial tax will be assessed against commercial and industrial property.

Manitoba's dependence on the property tax, from 1959 to 1983, is reflected in Table III, page 49. Direct provincial funding (from consolidated revenues) declined during the 1959-1966 period, and then reached 53.5% with the advent of the Foundation Program in 1967. The highest level of support, 56.9%, was reached in 1973. By 1980, the percentage of support had dropped back to 43.7%, the lowest since 1966. The inception of the Education Support Program, in 1981, with its greater reliance on a provincial education levy, resulted in direct provincial support of 51.5%. In both 1982 and 1983, the support from consolidated revenues has remained somewhat constant at 49.8% and 50.0%. The Education Support Levy and the special levies in 1983 will raise 43.7% of the cost of Manitoba's school system, reflecting in the opinion of the Education Finance Review, a ~~major~~ reliance on the property tax.

Certainly, the perception of property tax regressiveness has prompted several provinces to adopt a wide variety of "circuit breakers," fiscal devices to counteract the problem: homeowner grants, property tax credits, renter credits, exemptions for senior citizens, etc.⁶ In British Columbia, homeowner grants (\$380 basic; \$630 pensioner) are provided to owners occupying residential property. A personal income tax credit, to a maximum of \$150 is available to renters. Alberta, in 1974, removed the provincial property tax against residences. Since that time, individual homeowners are guaranteed a minimum tax saving resulting from the removal. In 1982, the minimum saving was \$200 for all homeowners other than senior citizens for whom the minimum credit was \$600. Property

⁶"Education Finance in Canada," pp. 23-26.

tax rebates are available to Saskatchewan homeowners (one half of total property tax to a maximum of \$230), senior citizens (all of the education property tax to a maximum of \$655), farmers (25 mills to a maximum of \$375) and renters (\$150 for a full twelve months). In New Brunswick, also, a provincial tax credit is available on residential property that is owned and occupied by the same person. Three Ontario programs provide property tax relief:

- low income families: rebate of taxes of \$180 plus 10% of property tax paid, less 2% of taxable income.
- senior citizens: rebate of property taxes paid to a \$500 maximum.
- farm tax credits: rebate of 50% of farm property taxes.

In Manitoba, as is known, a credit of \$325 is granted to all homeowners (to the limit of the property tax), and up to \$325 is available for tenants (limited by 20% of the rent). A further \$200 is available as a rebate on income tax, depending upon income and total tax. Senior citizens are eligible for a further \$100 rebate, and for school taxes only, they are eligible for an additional credit of \$175 over the \$325 basic credit. In relation to property tax credits granted to homeowners, Manitoba's "generosity" is second only to that of British Columbia. Manitoba's tenants are treated more equitably than renters elsewhere, as are those senior citizens who are eligible to partake of all benefits. From information available, only Manitoba and Ontario seek to redistribute income through property tax rebates associated with income tax assessments; these rebates tend to shelter those least able to pay property taxes -- the elderly and the poor.

Table IV, on page 49, indicates the "cost of the tax credit program" -- the monies raised by the provincial levy and local levies for education and the monies "returned" as credits or rebates⁷ during the

⁷It is estimated that of the \$150.5 million credit in 1982, approximately \$30 million is a credit against municipal rather than education taxes. (Information provided by the Department of Finance, Manitoba Government.)

TABLE III
PERCENTAGE DISTRIBUTION OF REVENUE SOURCES* IN SUPPORT OF
THE COST OF THE MANITOBA PUBLIC SCHOOL SYSTEM**
(1959-1983)

.....			
Property Tax Components			
Fiscal Year Beginning	Local Special Levy	Provincial Uniform Levy	Direct Provincial Funding
1959	37.1%	21.7%	42.6%
1963	37.1%	22.3%	40.9%
1966	38.3%	20.2%	40.3%
1967	18.8%	24.5%	53.5%
1973	27.5%	12.8%	56.9%
1974	33.1%	11.6%	51.0%
1975	38.5%	10.2%	48.6%
1976	41.3%	10.0%	46.1%
1977	40.8%	9.9%	47.4%
1978	41.0%	9.7%	46.6%
1979	42.1%	9.3%	44.6%
1980	44.5%	9.0%	43.7%
1981	18.9%	27.2%	51.6%
1982 budget	19.4%	26.7%	49.8%
1983 budget	17.9%	25.8%	50.0%

*Excludes revenue from Government of Canada, Indian Bands, etc.

**Source: Public Schools Finance Board

TABLE IV
COST OF THE TAX CREDIT PROGRAM*
(\$ millions)

Year	Special Levy	Uniform Levy	Total Levy	Tax Credits**
1981	103.3	149.0	252.3	146.3
1982	121.5	167.2	288.7	150.5
1983	123.5	178.2	301.7	154.0

*Source: Public Schools Finance Board

**Estimates

period 1981-1983. Through a system of credits and rebates, then, Manitoba endeavours to offset, at least in some measure, the regressivity of the property tax.

To alleviate inequities further, several Canadian provinces have endeavoured to implement assessment reforms.⁸ New Brunswick, Prince Edward Island and Nova Scotia now have assessment at full market value, and Ontario appears to be moving in that direction. Newfoundland's property assessment is 100% of market value at the time the assessment is performed; since assessments are only updated every five years, assessment value is not always the same as market value. In Saskatchewan, agricultural land is assessed on the basis of ability to grow wheat, while an urban reassessment is currently underway to convert from a 1947 to a 1965 base value.

Standardized assessment procedures are used throughout Alberta. However, assessments are revised at different times in different municipalities. Therefore, assessments that are 'equalized' are produced by the provincial government to enable comparison of assessments among municipalities in any given year. For purposes of this equalized assessment, non-farmland is expressed at 20% of market value, farmland expressed at a fixed dollar amount per acre depending upon its agricultural productivity and non-farmland is expressed at 20% of depreciated replacement costs. Farm buildings in rural municipalities are not assessed for this or any other purpose except for that portion of a farm residence which exceeds the basic exemption for farm residences.

Standardized assessment throughout British Columbia is expressed as 100% of market value. Assessment for school taxation purposes is calculated by applying rates determined by the Province. In 1982 these rates were set:

⁸"Education Finance in Canada," pp. 19-20.

Residential, Resort and Recreation	10.0%
Utilities, Forestry	35.0%
Machinery and Equipment	28.0%
Farms	10.0%
Industrial	34.0%
Commercial	24.5%

Thus, a wide variety of assessment practices exists elsewhere in Canada. In Manitoba, valuation of property for the most part is on a 1975 replacement cost which is then reduced to arrive at assessments equivalent to 1949-50 replacement costs. While equalized assessment procedures are used throughout the province, times of assessment vary, creating inequities when some municipalities within a school division are reassessed while others are not, when school division and municipal boundaries are not coterminous, etc. In Winnipeg, assessments have been frozen for the past four years pending the possibility of some reforms. The Manitoba Assessment Review Committee (Weir Commission) has reported to the Province, and an evaluation of its recommendations is currently underway. Most noteworthy of the Weir Report's recommendations are the following:

- 1) All assessable property should be valued at a level which is related to its market value.
- 2) A classification system for taxation purposes for all properties should be put in place: farm, residential, commercial, charitable, etc.
- 3) For taxation purposes, an "assessed" value should be established for each category of property classification. That assessed value would reflect a prescribed portion of the total "market value" of a class of property that would be used for taxation purposes.

- 4) Exemptions from real property assessment should to the greatest extent possible be eliminated. (Notwithstanding, the Committee then suggests that historical realities may dictate that a great many of the existing exemptions be carried on, at least for the time being.)
- 5) There should be a new single assessing authority amalgamating the current City of Winnipeg and Province of Manitoba assessment offices.⁹

Certainly, there would be widespread support in Manitoba if improvements in assessment procedures were to reduce inequities associated with property taxation.

Some provincial governments during the seventies imposed controls on school expenditures, thereby preventing steep rises in property taxes. In Ontario, the percentage equalizing grant system was modified by the introduction of ceilings affecting both grants and expenditures. Alberta and British Columbia required local plebiscites when the ratio of expenditures appeared to be increasing too rapidly. Other provinces used indirect restraints on education spending such as province-wide salary schedules or fixed pupil-teacher ratios. However, in recent years there has been a trend toward removing local expenditure limits for school boards. The exception to this trend has occurred in British Columbia where a reduction has taken place in provincial funding resulting in reduced spending by school authorities. Neither during the seventies, nor with the inception of the Education Support Program, has Manitoba experienced provincial limitation on education spending.

⁹"An Evaluation of the Report of the Manitoba Assessment Review Committee, and Recommendations Regarding Its Implementation," a report prepared by the Department of Municipal Affairs Research Group, October 1, 1982, pp. 4-6.

Finally, to offset the inequities of the property tax, some provinces, including Manitoba, have instituted equalization grants to less wealthy school districts. While equalization grants are dealt with more fully in a later section of this Report, some concerns may be noted here. According to Joel S. Berke, writing several years ago in the Phi Delta Kappan, variations in property tax base per pupil are so significant that no government can provide adequate equalization grants. Also, a "series of structural imperfections" dilute the equalization effects of those aid formulas that do exist. Imperfections include "floors" which assure that all districts, regardless of their wealth, receive some state aid; "ceilings" which prevent the poorest districts from receiving enough state aid to bring them to the average expenditure level; and "save harmless" provisions which insure that no district will be treated less favourably than in the previous year, regardless of the workings of the equalization formula. In addition, equalization formulas frequently ignore the fact that a supposedly wealthy urban division may have a disproportionate share of "expensive" pupils with impoverished or otherwise disadvantaged backgrounds. Ignored, too, are problems associated with "municipal overburden" -- the high level of property tax required for such municipal services as transportation, sewer and water, police and fire protection, public housing and welfare. This burden is especially significant in expanding urban areas and in those sections of cities in a state of semi-decline. For Berke, "state aid (equalization) formulas regularly provide proportionately less aid to urban areas than they do to suburban and rural areas."¹⁰

Much thought, therefore, has been directed at the imperfections of the property tax as an instrument for producing school revenues: on its regressiveness, on the inequities it produces, and on the difficulties with its administration. As has been noted, in many provinces, attempts are being made to offset property tax deficiencies and to move away from a

¹⁰Joel S. Berke, "The Current Crisis in School Finance: Inadequacy and Inequity," Phi Delta Kappan, September, 1971, p. 5.

reliance on it as a major support for public school education. Manitoba has implemented tax credits and equalization grants, but assessment reforms have not yet been undertaken. In addition, Manitoba is more reliant on the property tax in 1983 than it was a decade ago.

(In contrast to this last statement, the Review notes that the Honourable Vic Schroeder, Minister of Finance, has "defended" the level of property taxation for both municipal and educational purposes. On June 1, 1983, he wrote as follows:

More generally with respect to property taxation, total property taxes ... more than tripled between 1971 and 1981, from \$158.1 million to \$503.7 million. However, over the same period, provincial support for municipalities reflected in general fund revenues increased from \$15.4 million to \$67.8 million, provincial direct support for public schools increased from \$105.3 million to \$290.9 million, and the value of provincial assistance paid directly to homeowners and tenants increased from \$0.8 million in school tax rebates in 1971-72 to \$134 million in 1981-82. Thus, total support quadrupled from \$121.5 million to \$492.7 million, and the increase in "net" property taxes was contained to more moderate levels, from \$157.3 million to \$369.7, about 2.4 times the 1971 level. Bearing in mind the increases in total personal income or Gross Provincial Product; which ... increased to 3.5 times and 3.2 times the 1971 levels, respectively, this information suggests that property taxes have not increased disproportionately ¹¹⁾

¹¹Letter from Hon. Vic Schroeder to Reeve Edward Nowell, Newdale, Manitoba, re "Newdale Committee Brief," June 1, 1983, p. 3.

Alternatives

If Manitoba is to reduce its reliance on, or to move away from, the property tax, what other sources of revenue should be considered?

Unlike the tax on property, the income tax is defended as being both progressive (the larger the income, the greater the proportion of tax) and elastic (as incomes rise, the tax yield increases.) Its administration is also less subject to variations throughout the province, and since 1962, the federal government has collected free of charge for the provinces both their personal and corporate income taxes. Consideration of the income tax alternative for Manitoba, however, is hindered by the fact that this province's basic personal income tax rate of 54% of Basic Federal Tax is outranked only by Newfoundland and Quebec. In addition, Manitoba's 10% surtax for taxable incomes over \$25,000 is one of the highest in Canada. Further, the corporate income tax rate of 16% is the highest in Canada.

In fiscal year 1983/84, an increase of 1% in personal income tax (i.e., from 54% to 55% of Basic Federal Tax) would yield \$12.3 million. An increase of 1% in the corporate income tax¹² would bring in \$6.6 million from large corporations and \$3 million from small corporations. One mill of the provincial Education Support Levy of 43.7 mills raises \$32 million. Thus, an increase of 1% in both personal and corporate income taxes would raise \$21.9 million; this amount could translate into a reduction of 6.8 mills in the Education Support Levy.

The collection of a local income tax, as a substitute for the local property tax or special levy, is not recommended by most authorities. However, federal authorities could collect such a tax. Presumably, were there no concern regarding the province's "54%," the government could rebate a percentage to school divisions in similar manner to the 2.2% rebated to municipal authorities.

¹²Information on income and sales tax revenues was provided by the Department of Finance, Manitoba Government.

The sales tax is sometimes viewed as an alternative to the property tax since it is easier to administer and yields large revenues at seemingly low rates. However, depending upon exemptions, this tax may be as regressive as the property tax, falling most heavily on those least able to pay. A local sales tax replacing a local property tax presents difficulties in enforcement since residents may choose to shop outside the local area to avoid the tax.

Manitoba, of course, has recently increased its sales tax¹³ from 5% to 6%. The additional 1% will net the Province \$64 million in fiscal year 1983/84. If \$64 million were used to reduce provincial property taxes, the Education Support Levy could be reduced from 43.7 mills to approximately 24 mills. It would necessitate more than a 2% increase in the sales tax to eliminate the Education Support Levy.

The value-added tax is in reality a special type of sales tax: it adds a tax to an item at each stage of production from new materials to final sales. The tax is used in Europe, and is currently set at 15% in the United Kingdom. However, the value-added tax has not been implemented anywhere in America, presumably because it could be as regressive as the sales tax.

Another technique for funding education is the wealth tax. This device has found favour in Norway, Sweden, West Germany and Switzerland. Any such tax is generally imposed upon individuals or families on the basis of their net worth, after deducting outstanding liabilities such as mortgages and loans. Consideration is given not only to property and income, but also to such personal property items as automobiles, jewelry, or furniture, and to stocks, bonds, notes, mortgages, cash and bank deposits. The wealth tax has advantages of equity, utility and efficiency,

¹³To avoid such an increase the previous year, Manitoba entered a new tax field and introduced a 1.5% payroll tax.

while the disadvantages relate primarily to administrative difficulties, i.e., assessment may be nearly impossible and the tax may encourage taxpayer dishonesty. In addition, there is always the possibility of inequity through double taxation of "wealth" already taxed.

Some advocates have suggested that education be financed by public lotteries as used today in New Hampshire. Opponents generally feel that lotteries are difficult to administer, and that sufficient revenues are not generated.

Many also feel that provincial governments, and the Council of Ministers of Education, should be pressing for increased federal grants. However, there appears to be little likelihood of success at a time when Ottawa is negotiating to reduce federal fiscal involvement.

Acceptable tax alternatives to the property tax are difficult to find, although a wealth tax could undergo further consideration. To seek a reduction in property taxes, Manitoba would need to increase taxes across the whole taxation field (sales, income, inheritance, liquor, licence fees, etc.) rather than in any one particular area or through the introduction of a new tax. Most economists expect a continuing need to impose some property taxes.

Alternatives to the current property tax credit system could be considered. Several presentations to the Review call for such a re-examination. Most Manitobans would favour retention of that portion of the current scheme which provides property tax relief for those on low income. However, many oppose the "automatic" \$325 credit to all householders, regardless of income. They question whether or not it would be preferable to eliminate the \$325 credit, and pay an equivalent amount directly to school boards, who would then reduce their demands for special levy monies, resulting in a lower mill rate. Those who are able to pay the full cost of their property taxes would do so; those on whom the burden is too heavy would find redress through the tax rebate. However,

some research tends to show that the "wealthy" gain more from the millage decrease than by receiving \$325, while the "poor" will gain more from the \$325 credit than through levy reductions. There is need for further study.

Of course, a variety of alternatives to present equalization formulae could be developed to offset inequities in tax bases for education. At the present time in Manitoba, proposals for equalization could be affected markedly by implementation of all or some of the recommendations in the Weir Report.

Further, Manitoba could seek to offset inequities associated with the property tax by imposing expenditure limits and controls on local school boards.

Property Tax and Education Finance

The Manitoba Teachers' Society, the Manitoba Association of School Superintendents, and several school boards recommended to the Education Finance Review that "the historical linkage between revenue derived from property taxation and education finance in Manitoba"¹⁴ be severed. An initial reaction might well be a feeling that these organizations want the severance for "cosmetic" reasons. Teachers, trustees and superintendents are tired of receiving "the blame" for high property taxes. However, a closer examination of the issue results in a more favourable response. Why, indeed, should a student's educational program depend upon the "balanced assessment per pupil" in the school division in which he or she resides?

¹⁴The Manitoba Teachers' Society, "Changing Realities: A Study of Education Finance in Manitoba," 1981, p. 428.

Balanced assessments, of which the Public Schools Finance Board receives notification from the Department of Municipal Affairs in September of each year, are in effect the previous year's taxable assessments, adjusted by a factor (of between 90 and 110) which endeavours to eliminate variations in assessment procedures and year of re-assessment, to become equalized assessments, to which are added consideration for personal property and grants in lieu of taxes! On the basis of these balanced assessments, the Public Schools Finance Board establishes the education support levy for the ensuing year. However, it is not until the subsequent August that the Public Schools Finance Board learns of the actual taxable assessment in each school division and municipality, and the actual education support levy in each municipality, by mill rate and by dollars. Differences between balanced and taxable assessments could be considerable. Thus, the Public Schools Finance Board sets a provincial levy without an accurate knowledge of the effects it will have on the individual taxpayer at the local level.

Further, the Department of Municipal Affairs, as indicated, determines the provincial assessment against which the Education Support Levy applies. The Public Schools Finance Board establishes the level of the Education Support Levy. The Department of Finance sets the size of the property tax credits to offset the effects of the levies -- and, of course, determines the level of all other provincial taxes. A single revenue-raising authority would seem preferable.

While the new payroll tax is termed a health and post-secondary education levy, it was perhaps so named to indicate the reason for its introduction -- the reduction in federal payments for health and post-secondary education. No provincial taxes are specifically designated for the balance of the health bill, for highways, for labour, for corrections, etc. Why, then, should the provincial property tax be designated as the education support levy? Why should not the monies received from all fees and taxes, and from federal transfer payments, enter the consolidated revenues of the province, from which all departments of government would derive their revenues?

There are some who would be fearful of the divorce between property tax and education finance. The existence of the Education Support Levy seems to guarantee a certain level of support for education. If all funding for education comes from consolidated revenues, what is to prevent Government from greatly curtailing education expenditures? Others, of course, would feel that education should not have access to a "crutch" unavailable to any other department. In the words of Cubberly who wrote in 1906, "The wealth of the state should be used to educate the children of the state."¹⁵

Recommendations

The Review recommends:

- *that the provincial property tax as a source of provincial revenue be disassociated with education.*
- *that the revenue component of the responsibilities of the Public Schools Finance Board be discontinued.*
- *that revenue functions of the government be centralized in the Department of Finance.*

While the Review believes in a severance between education and the provincial property tax, it should not shirk its mandate to examine the most equitable way of raising the necessary funds for educational expenditures. Therefore, the Review recommends:

¹⁵Cubberly, School Funds and Their Apportionment (New York: Teachers' College, Columbia University, 1906), p. 17.

- that, while room for movement within the tax field is limited, the Province seek to reduce reliance on the property tax by shifting taxation gradually over the next several years to less regressive taxes, and that, as a minimum, there be no increase in the provincial property tax in 1984.
- that further study be undertaken to determine the feasibility and the effects of limiting the universal portion of the property tax credits, thereby increasing resources for the consolidated revenues of the Province, and providing an additional source for direct funding of school divisions.

And further, while some may feel that the Review is going beyond its mandate, it recommends:

- that the Government move to implement those recommendations of the Manitoba Assessment Review Committee which will contribute to improved taxpayer equity -- classification system; market value assessment; portionment; elimination of exemptions; single assessment authority with annual assessments -- and in a manner such that major changes are phased in over a period of time.

5.2 Disbursement of Funds

The Review's recommendations on the disbursement of funds are advanced in the following manner:

- basic considerations
- categorical grants
- block grant
- equalization grant
- pilot projects
- institutional programs
- special revenue schools
- private schools

Overall cost projections and recommendations for implementation follow thereafter.

Basic Considerations

On the assumption that decisions on spending by school boards are taken responsibly, the Education Finance Review believes that the government should move toward funding 90% of the total of school board expenditures¹⁶ in Manitoba. The 90% figure should not be viewed simply as a mid-point between the 80% suggested by the Manitoba Association of School Trustees and the 100% recommended by the Manitoba Teachers' Society. Rather, it is felt that there is a definite need to reduce further the dependence in the province on the local property tax, or the special levy, and yet leave some room for local money-raising to respond to concerns for local autonomy and accountability.

Since the recommended funding would cover 90% of the provincial expenditure, there will be variations in the percentage covered in each school district or division, and consequently variations in special levies. The Review believes that special levies should be equalized¹⁷ on the basis of one mill's raising the same amount per pupil in all other districts and divisions as one mill raises for each pupil in the wealthiest jurisdiction, with the Province making up the difference. However,

¹⁶Discussions on cost projections, commencing on page 130, define expenditures more precisely, particularly in relation to "net operating expenditures" and "supportable expenditures."

¹⁷Specific details on the proposed equalization grant are found on pages 119-120.

the cost of the equalization grants should be included within the overall 90% formula.

The Review is of the opinion that the Department should not have to impose limits on expenditures by school boards. As long as some portion of a board's revenue is derived from sources other than provincial coffers, that board should exercise responsibility in budget control. (However, there may need to be some control over grants; the Province cannot promise 90% funding of limitless spending. The mandate for the Review emphasizes a concern for "management of expenditure growth.") Further, there may be some areas, e.g., compensatory programs for "at risk" pupils in which the Province will provide incentive grants to encourage an expansion in expenditures.

Monies should be paid to school divisions by means of a number of categorical grants and a single major block grant. In some instances, categorical grants will respond to the variety of situations in which educational offerings do not occur evenly among divisions, e.g., vocational, English as a Second Language, French, heritage languages and transportation grants. In other cases, the categorical grant should act as an incentive for programming, e.g., special needs, compensatory, curriculum implementation and small schools grants. To guarantee ongoing support and to encourage planning, categorical grants should be indexed according to a Consumers' Price Index, or a provincially developed Education Price Index.

Concerns that a block grant based solely on enrolment fails to respond to regional cost disparities or to declining enrolment are legitimate. To avoid those concerns, the block grant here recommended is based on weighted pupils.¹⁸

¹⁸Specific details on the proposed block grant are found on pages 120-123.

In determining the provincial government's 90% "share," the categorical grants should be first totalled. The equalization grant and the weighted pupil block grant will then be the balancing factors to arrive at the 90% coverage.

Cash flows to divisions should occur according to the time line associated with the Education Support Program. However, grant payments should be forwarded in total, regardless of the deficit/surplus status¹⁹ of the division.

The Manitoba Teachers' Society recommendation concerning program funding was tied to other recommendations for 100% funding and regional delivery of service. The Review sensed an aversion to program funding from some who feel that full provincial funding and regionalization threaten local autonomy. However, the program funding concept should not be dismissed summarily. The Review's terms of reference included the statement, "There is a need to consider the cost of providing an adequate program, regardless of numbers of students and size of facility."²⁰ The Review proposes a number of pilot projects over the next year to evaluate programs and to determine program costs, under the oversight of Finance Branch, FRAME and Planning and Research personnel, and personnel from other branches in the Department. The purpose of the projects would be to determine whether or not program funding in some areas would be preferable to current funding procedures. Pilot projects could be conducted in such areas as distance education, small schools, aspects of special needs, etc. In conjunction with these pilot projects, a Manitoba Education Price Index could perhaps be developed.

¹⁹Currently, full payment is not forwarded if a division is in a surplus position. The Department may feel that divisions should use surplus money to maintain programs or reduce special levies, yet boards' surpluses save the Province interest on funds which are borrowed to advance grants.

²⁰"Education Finance Review," p. 5.

The Education Finance Review supports a foundation-type grant program. However, a "foundation" program in the schools of 1967 would not be considered adequate for 1983. There is need for the Department of Education to continue to issue policy statements²¹ on the program offerings considered essential for all Manitoba students, and to continue to develop policies on program offerings responding to individual student's needs.

A further basic consideration is an awareness on the part of the Review that total cost implications of all of the Review's recommendations may necessitate a phasing-in of the new program. For example, had the Review's recommendations been in effect during the current 1983 year,²² provincial coverage of the total of school board budgetted net operating expenditures of \$606 million, at 90%, would have amounted to approximately \$545 million. In actuality, some \$498 million will be covered. The difference of \$47 million would have come from consolidated revenues, an increase in the provincial property levy, or some combination of the two.

Recommendations

The Education Finance Review recommends:

- *that the Province move towards funding 90% of the total of school board expenditures.*
- *that the 90% coverage include equalization of special levies.*

²¹Examples are recent policy statements relating to computer education and to the basic French program. See Appendices B and C.

²²The Review is aware, of course, that school divisions might have prepared different budgets had the Education Support Program not been in effect. For example, were a partial funding source available, there could have been increased expenditures forecast for compensatory education programs.

- that monies be paid to school divisions by means of a number of categorical grants and a weighted pupil block grant.
- that categorical grant payments be indexed according to the increase in the Winnipeg Consumers' Price Index, or a provincially developed Education Price Index.
- that monies be forwarded to school divisions on the following schedule:

April	- 40%	September	- 10%
May	- 10%	October	- 10%
June	- 10%	November	- 10%
		December	- 10%

and that grant payments be advanced in full, regardless of the surplus/deficit status of the division.

- that pilot projects be undertaken to determine the feasibility of program funding.
- that the Department of Education continue in the development of policy statements on programs considered essential for students in Manitoba's school system.

Categorical Grants

Recommendations, with rationale, are presented for fourteen categorical grants. They will tend to dispense from 20%-25% of provincial funding, with the balance in the form of a weighted pupil grant.

Special Needs

In its deliberations on special needs funding, the Education Finance Review has examined a great deal of documentation, including the many submissions to the Review; the responses from within the Department of Education and from the field to current special needs funding procedures under the Education Support Program; and special needs financing in other jurisdictions in Canada and the United States, particularly in Ontario and Quebec. Literature in the special education area abounds. The Review is aware of the wide variety of opinion which exists on appropriate funding mechanisms to address the equally wide variety of "special needs."

Several key issues²³ to which special needs financing must seek to respond have emerged in the last decade. The manner in which Manitoba's current special needs funding policies deal with three of these key issues is outlined in a letter from the Minister of Education to school divisions on May 18, 1983, in which she advises on "provincial expectations with respect to the application of special needs support."²⁴ The issues, and Manitoba's stance, may be summarized as follows:

Mainstreaming:²⁵ to what extent does the funding mechanism

²³In the area of special education funding formulas, the Review found helpful "School District Response to Labelling, Cost and Programmatic Incentives in Special Education," an article in the Journal of Education Finance, Winter, 1983, by F. Howard Nelson.

²⁴Letter from the Minister of Education, the Honourable Maureen Hemphill, to School Divisions, May 18, 1983. (Subsequent quotations are not separately footnoted.) The full text of the Minister's letter is Appendix D.

²⁵Mainstreaming is defined in F. Howard Nelson's article, p. 386, as "the temporal, instructional, and social integration of handicapped children with regular peers."

enhance -- or detract -- from mainstreaming? Are segregated programs "easier to fund" than integrated programs?

The Minister of Education writes, "Whether the child is placed in an educational program which ranges from a specialized setting to the regular classroom is not a criterion which should be used either by my Department or by school divisions to determine eligibility for low-incidence funding." Funding is to be neutral in relation to programming.

Labelling: to what extent does funding encourage or discourage labelling? How much labelling is tolerable to ensure special needs are being met?

The Minister of Education observes, "The identification of students' learning conditions can become a negative process. The handicapping conditions listed in the regulations of the Public Schools Act are intended to serve as examples of the severe disabilities experienced by children who require considerable modifications or supports to their program. It is not necessary to attach such labels to individual students for funding purposes." The stance of the Department is to avoid labelling.

Block vs Categorical Grants: will categorical grants channel monies to students and programs? Do categorical grants produce "grant seeking" decisions rather than appropriate funding? Do block grants provide a suitable balance between local decision-making and provincial priorities in special needs?

The Minister's letter to school divisions, in dealing with high incidence special needs, states, "School divisions have a large degree of flexibility to employ qualified personnel who will develop appropriate programs to meet the needs of their students. This largely non-categorical financial support ... encourages the formation of a network of comprehensive

services in the division ... The Department's special (needs) funding mechanisms are meant to maximize both the decision-making process at the local level and the provision of real and adequate supports to the individual child with special needs." The Minister feels that in the area of high incidence support, provincial priorities are being met. There is no need for "grant seeking" because of the large degree of flexibility associated with the funding. In addition, local autonomy permits programming for individuals.

Two other key issues have also been addressed, although not in the Minister's recent policy statement, in Manitoba's current Education Support Program:

Student Weightings: does the practice of weighting students for funding purposes ensure a more generous response to special needs? Does this practice increase the likelihood of monies reaching specific programs?

Manitoba has rejected student weightings for special needs funding, essentially on the grounds that this practice increases the negative effects of labelling. The type of block grant for high incidence needs, and a two-tiered categorical grant for low incidence needs, produces few labels.

Incentive or Conditional Grants: how can school authorities be assured that grants which promote new programs will not later be withdrawn?

The Education Support Program has provided incentives for expanding special needs programming, with school divisions willing to start new ventures on the basis of the three year guarantee of financing. And while the special needs portion of the Program is not necessarily increased by the Consumers' Price Index, the indexing of the overall program gives assurance of continuing Government support.

Still two more key issues have not been fully addressed to date:

Supplementary (or Extra Cost) vs Full Cost Grants: can the additional costs for special needs students be determined? Is there a tendency for additional grants to replace rather than supplement existing grants?

Accountability: how can the funding mechanism ensure that monies reach those individuals and programs for whom the grants are intended?

The Education Finance Review feels that it must respond to these questions in its recommendations. The challenge is to design a system such that local interests coincide with provincial priorities, if such is possible.

To a large degree, current procedures for funding special education respond well to the issues raised on previous pages -- issues of mainstreaming; labelling; categorical, conditional and incentive funding. There are, however, some changes²⁶ that should be made:

- the Department of Education should discontinue the practice of hiring clinicians and assigning them to certain divisions. The current procedure discriminates against those divisions which hire their own clinicians at some charge against the special levy. Divisions should be encouraged to hire either individually or in cooperation with one or more neighbouring divisions, the particular clinicians needed.

²⁶At the time of writing, regulation changes are being written to offset the disincentive to new programming resulting from the September 30th date for low incidence eligibility. Additional entry dates are being proposed for 1983, and thereafter.

- the practice of permitting divisions to hire one special education teacher or two aides, in response to high incidence grants, should be discontinued. The tendency to hire two "less costly" aides may not result in an adequate response to learning disabled students. Funds to assist in the hiring of teacher aides should be available within low incidence funds and the block grant.
- an additional low incidence category should provide supplementary funding for very high cost programs.

Further, in response to accountability and local autonomy concerns, pilot projects should be undertaken in cooperation with FRAME project personnel, to determine both additional and full costs for a variety of special needs programs.²⁷ Associated with these studies could be the development of additional policy statements, i.e., the resource teacher or the resource program.²⁸

The Review is not supportive of including additional "specialists" under special needs funding. Provincial policies, rather than funding mechanisms, should seek to assure students access to guidance counsellors, librarians, etc.

²⁷In the opinion of F. Howard Nelson the best known method of projecting special education costs is the "resource cost" approach developed at the Institute for Research on Educational Finance and Governance at Stanford University. The Review has purchased appropriate materials to assist in a pilot project.

²⁸Concerns expressed to the Review that children with learning disabilities may not have their needs met within a "mainstreamed" classroom, with resource teacher assistance, can not be allayed solely through a funding formula. There is need for policy statements, including guidelines for pupil-teacher ratios when special needs students are mainstreamed, and for resource teacher programs.

Recommendations

The Review recommends:

- that special needs support be based primarily on 1983 support, with an annual adjustment determined by the increase in the Winnipeg Consumers' Price Index, or in an Education Price Index to be developed for the Province, i.e., that special needs support be the total of (a), (b), (c) and (d), but not exceeding the total expenditures for special needs:

- (a) Coordinator and Clinician support based on the number of eligible units determined by dividing the eligible enrolment²⁹ by 900 and adding one for any remainder, or the number of qualified personnel employed, whichever is the lesser, multiplied by: \$34,100 for one coordinator and \$31,000 for each remaining clinician.

- (b) High incidence support based on the number of eligible units determined from the following schedule:

Eligible Enrolment	Number of Eligible Units
Greater than 2275	Divide by 325 and add 1 for any remainder
2275 or less but greater than 1800	7
1800 or less but greater than 1350	6
1350 or less but greater than 1050	5

²⁹Eligible enrolment figures are used in calculating various categorical grants. The weighting factors are applied only to the standard block grant.

1050 or less but greater than 750	4
750 or less but greater than 450	3
450 or less but greater than 300	2
300 or less but greater than 150	1
150 or less	0

or the number of qualified personnel employed, whichever is the lesser, multiplied by \$23,000.

Personnel employed as special, resource, occupational entrance teachers or as teachers of the gifted are included.

(c) Low incidence I support based on \$3,300 for each pupil who is trainable mentally handicapped, moderately multi handicapped, severely physically handicapped, severely hearing impaired, severely visually impaired, very severely learning disabled or very severely emotionally disturbed.

(d) Low incidence II support based on \$8,600 for each pupil who is severely multi handicapped, severely psychotic or autistic or profoundly deaf.

- that a low incidence III support, based on \$13,200 for each pupil who is severely multi-handicapped and whose program is viewed as highly costly by Department and Division personnel, be provided.

- that pilot projects be undertaken to determine both full costs and additional costs of a variety of special needs programs:

resource, gifted, trainable mentally handicapped, severely psychotic, etc. These studies should be under the administration of the Child Care and Finance branches of the Department, with an advisory committee representative of the wider educational community. Such studies could also produce policy statements - or provincial guidelines - to supplement the stance of the Province announced in the Minister's recent letter to school divisions.

- that the Department discontinue the practice of hiring clinicians and assigning them to divisions.³⁰*

Compensatory Education

Rationale

The terms of reference for the Education Finance Review identified three priority issues which the Minister of Education wished to be addressed. One of these was entitled "socio-economic factors" which were described as "such factors as unemployment, single parent families, migrancy and limited parental education which create special needs to which the school system must respond through enriched and compensatory programs. A recognition of these socio-economic factors needs to be built into any financing scheme."

³⁰Department personnel should examine Saskatchewan's funding of school divisions providing joint services in the areas of speech therapy and school psychology. "Joint Service Model: A Demonstration Project," prepared by the Saskatchewan Department of Education, January, 1982, is Appendix E to this Report.

The charge from the Minister of Education is quite clear. A report in the Winnipeg Free Press on November 2, 1982, reads:

She wanted the public schools to give more attention to the children who for economic or family reasons stand a poor chance of completing their public school education, or of benefitting fully from the years they spend in school.³¹

It is apparent, then, that it is the policy of the present government to provide funding for compensatory education. To fulfill the Minister's interest, it is necessary that more specific policy decisions be made concerning the following:

- a definition or description of compensatory education
- the development of criteria for funding compensatory programs
- the continuation of established programs and the development of new compensatory programs
- the level of implementation, i.e., pre-school, early years, teens
- the mode of funding
- the method of monitoring

Each of these areas for "policy decision" will be examined prior to the formulation of related recommendations.

³¹"Directing Spending to the Needy," Winnipeg Free Press, November 2, 1982

Defining Compensatory Education

Generally all education could be viewed as being compensatory. However, the term is used more specifically to describe programs designed to offset the negative effects on achievement caused by children's disadvantaged backgrounds. Clearly, the provision of compensatory programs contributes to the search for equality of educational opportunity which of late has been perceived as vertical equity.

The purpose of compensatory programming is to intervene, to provide supplementary educational services to children who are identified as being disadvantaged either socially, economically, or physically. The 1981 study on Youth Needs, conducted by the Social Planning Council of Winnipeg,³² described these disadvantaged youth as "high risk" children, and the disadvantages which they experience as low socio-economic status, unsatisfactory family relationships, parental unemployment, low education level of parents, migrancy, and poor nutrition. For some children whose mother tongue is neither English nor French, language is another drawback.

It may be argued that the disadvantages faced by "high risk" children are conditions over which the school has no control or influence, and, therefore, the remedies lie other than in education programs. This position has some validity if the outcomes of the programs are solely concerned with academic achievement. However, if the intent of compensatory programs is also to enhance the social development of children, to help them break out of the poverty cycle, to assist them to live meaningfully, then there is a broad mandate to fund compensatory education programs.

³²Social Planning Council of Winnipeg, "Youth Needs Study," Vol. I and Vol. II, 1981.

Realistically, it should be recognized that because of the nature of the disadvantages, the compensatory effect of education programs may be limited. A study by Mullin and Summers, as reported in the January, 1983, Phi Delta Kappan under the title, "Is More Better? The Effectiveness of Spending on Compensatory Education," concluded that "parental involvement is more effective than school intervention in dealing with disadvantaged children." And further, though there is agreement that compensatory programs do make some difference to disadvantaged children, "the gains appear to be greater in earlier years," with strong evidence that "early gains are not sustained."³³ In view of these findings, care must be taken not to make extravagant claims for compensatory education, nor to raise unrealistic expectations.

The Context for Compensatory Grants

A brief description of the development of compensatory education programs in Canada and the United States should assist Manitobans in their attempts to develop and fund appropriate services for disadvantaged students.

Compensatory education programs had their origin in the United States when, in 1965, Congress passed the Elementary and Secondary Education Act (E.S.E.A.). The purpose of the Act was "to strengthen and improve educational opportunity in the nation's elementary and secondary schools." The section of E.S.E.A. which produced the largest compensatory effort was Title I, a supplemental program to provide financial assistance to local school districts in planning and operating special programs for

³³Stephen P. Mullin and Anita A. Summers, "Is More Better? The Effectiveness of Spending on Compensatory Education," Phi Delta Kappan, January, 1983, p. 339.

educationally deprived children. It should be noted that the intent of federal appropriations was to supplement, not supplant, state and school district sources of revenue.

In 1981, the E.S.E.A. was replaced by the Education Consolidation and Improvement Act (E.C.I.A.), and Title I was replaced by Chapter I on July 1, 1982. The purpose for Chapter I is "to provide assistance to states and to local educational agencies to improve educational achievement, especially in basic skills and career preparation, for educationally deprived children." Still in the 80's, federal government support continues to form the foundation for compensatory education in the United States.

Because similar federal involvement was not, or could not be, initiated in Canada, the responsibility for compensatory education has resided with provincial and local authorities. Aside from the province of Ontario, little provincial action was taken in the sixties and early seventies. Saskatchewan, Manitoba and Quebec have become more involved of late, and the cities of Toronto, Montreal and Winnipeg have developed criteria for compensatory funding. Very recently, Saskatchewan has commissioned a study on an Inner City Grant Formula.

In Manitoba, the focus for compensatory programs has been on Winnipeg School Division #1. As early as 1962, when the Higher Horizons program was introduced in Hugh John MacDonald Junior High School, the Winnipeg Division has sponsored programs for disadvantaged children, initially without external support. However, in 1974, the Department of Education became involved with the Winnipeg programs, and in succeeding years helped in the development of nutrition, migrancy, community and secondary alternative programs. Funding for compensatory programs began in 1976 with a grant to Winnipeg of \$700,000.00 in partial support of the Division's total estimated expenditure on the programs of \$3,000,000.00.

This financial support has been continued annually, primarily on an ad hoc basis,³⁴ since that time. Examples of the cost sharing of compensatory education programs are shown in Table V.

TABLE V
Funding Compensatory Education
Winnipeg School Division

<u>Years</u>	<u>Department</u>	<u>Division</u>	<u>Total</u>
1976	700,000	2,300,000	3,000,000
1978	1,000,000	4,600,000	5,600,000
1982	4,430,050	7,010,800	11,440,850

Criteria and Eligibility

A basic issue in relation to funding compensatory programming involves the criteria to be used in determining the eligibility or identification of the disadvantaged. The selection of criteria is crucial to the provision of an effective compensatory education program, and consideration must be given to such factors as relevance, validity, availability, predictability and flexibility of criteria.

Generally, two approaches are considered, one involving the use of socio-economic factors, the other using direct measures of educational disadvantage such as achievement scores. The weighting of socio-economic factors within a block grant is perhaps a third approach.

³⁴With the advent of the Education Support Program, Winnipeg School Division's inner city programs received some funding from the Extra Operating Support category. In 1982 and 1983, additional \$2 million grants were authorized. Winnipeg School Division's estimate of 1982 costs for inner city programs, and the extent of provincial funding, is Appendix F to this Report.

(a) Socio-Economic Indicators

Most funding agencies use socio-economic indicators to identify schools which serve disadvantaged children. Critics consider these as measures which reflect the level of inputs in the family system and believe they are only indirectly educationally relevant. Socio-economic measures, critics state, are not indicators of the type of remedial responses required and hence are poor guides to determining the level of compensatory funding required to address the disadvantages. However, the school is not exclusively concerned with academic achievement; it is also concerned with the social, cultural and physical development of the child. For some "at risk" children, basic survival skills are required.

Winnipeg School Division has developed "inner-city" socio-economic criteria³⁵ appropriate for funding compensatory programs. Currently these are:

- single parent families
- student mobility
- unemployment
- low income
- educational level of parents

While data for each inner-city school are collected for each criterion, the eligibility is determined on a total basis. The degree of

³⁵The School Council of the Island of Montreal has developed a complex formula for identification of inner city schools, with thirteen socio-economic variables. The Metropolitan Toronto School Board uses six criteria to determine an inner-city school's eligibility for funding. Winnipeg School Division has rejected the additional criteria used in Toronto and Montreal as being inappropriate locally. For Winnipeg, the challenge of selecting criteria has been to find the minimum number of indicators which will provide the maximum amount of information.

interaction among the criteria determines the degree of need, rather than whether or not the school meets an arbitrary cut-off point for each criterion.

It is important to note that Winnipeg collects the data on a school basis³⁶ because it believes that the most effective response is determined at that level. Research carried on by the Division has found the effectiveness of the criteria to be very good. For example, a 1979 study showed a high correlation (.86) between division-wide testing and the inner-city criteria.

(b) Measures of Educational Disadvantage

Proponents of these criteria regard the socio-economic indicators as proxy measures of educational disadvantage and prefer more direct measures. They express a preference for indicators which describe the specific educational disadvantages conferred by low socio-economic status in society, and which identify the number of children experiencing those educational disadvantages. As candidate items for these criteria, advocates suggest:

- proportion of children below minimal level of functioning based on standardized tests of basic academic skills.
- percentage of children coming to school inadequately nourished.
- percentage of children moving more than twice during the school year.
- proportion of children experiencing emotional and/or physical neglect.

³⁶Winnipeg collects its data on single parents, unemployment and student mobility directly from schools. The existence of 1981 census data, available in the spring of 1983, could assist school divisions in developing criteria for eligibility.

The use of standardized tests province-wide at entrance grade levels is rationalized on the basis that it avoids the objection that one is measuring the outcome of compensatory programs and not the deficiencies they were meant to overcome.

Opponents of these criteria believe that direct measures of educational disadvantage should be used to determine the effectiveness of compensatory funding, rather than eligibility. If student achievement improves as a result of the funding, the funding should be continued rather than discontinued.

It is true that improvement in academic achievement is the ultimate goal of compensatory programs, though as the Mullin-Summers study reported, "Many of the studies that find a positive relationship between compensatory education and achievement gains used evaluation techniques that are sources of upward bias in the estimation of impact." Also, it might be observed that improving academic achievement is the major objective of all school programs and, in this context, a larger number of students could be viewed as requiring compensatory education.

The debate over criteria of eligibility is more about means than substance; both groups agree on the basic purpose of compensatory education.

(c) Weighting Factors

The Province of Ontario has recognized the need to provide compensatory education programs and has developed a rationale for compensatory funding. The Ontario approach involves the use of the following factors³⁷ or variables:

³⁷The data for the factors are obtained by the Province from such sources as the Department of National Revenue, the Ministry of Community and Social Services, the 1971 Census, and the Ontario Housing Corporation. Comparable sources exist in Manitoba.

- Percent of population in receipt of general assistance and family welfare benefits.
- Percent of all income tax returns with taxable income less than \$8,000.00. (1980)
- Percent of population whose specified mother tongue is neither English nor French.
- The number of public housing and rent supplement units per 1000 persons adjusted to reflect the bedroom count of the unit.

Each of these factors is rated on a scale of 1 to 8 or 1 to 10. All boards in excess of the median on a scale designed to measure the need for compensatory education services receive a weighting factor to reflect the cost of providing these special services, with the measurement of need being the sum of the board's rating on four independent variables. Following the calculation of the total score, a weighting factor is applied to both the secondary and elementary grants, with the factor larger for elementary grants.

This approach is based on the assumption that school districts which qualify for an increased grant will provide compensatory services. In some cases such as the City of Toronto, this assumption is valid. However, informal reports indicate that in many areas compensatory programs are not in place even though the factors indicate a need for such programs.

The Education Finance Review is supportive of the socio-economic inner-city criteria developed by the Winnipeg School Division, although it recognizes that there may be need for consideration of other criteria in rural and northern Manitoba. Whenever a decision regarding criteria is made, that decision should be related to the goal or objective of the compensatory program. Not all programs will have the same objectives.

Programs

The purpose of a program is to compensate for some defined or identified disadvantage. The origin of the disadvantage generally lies outside of the school environment and is most usually family-related.

The 1981 Youth Needs Study of the Social Planning Council of Winnipeg found that "poor family relationships characterized by a high level of conflict, a low level of mutual support and caring, and the adolescent's perception of being mostly disliked by parents exert the most pervasive effect on the likelihood of (the child's) having unmet needs." The report states:

"Adolescents who experience poor family relationships are more likely to be frequently truant from school than other adolescents not from a poor environment."³⁸

The Mullin-Summers study³⁹ found that parental involvement was the most effective factor in dealing with the disadvantage. Where, then, does this leave the school? In spite of its limitations, the school system is the most effective locus for addressing the full range of student needs because it is the only public institution which regularly serves the large majority of young children and adolescents. While it is clear that the school alone cannot resolve the problem of unsatisfactory family relationships, at least it may mitigate the effects on the child, particularly in the school environment. It is important that the school do what it can to strengthen and support the family. It is necessary to deal with the disadvantage, as well as with the disadvantaged child. Therefore, some of the compensatory programs should be designed with this objective in mind.

³⁸"Youth Needs Study," p. 35.

³⁹Mullin and Summers, p. 342.

However, it would not be logical for the Department of Education to prescribe programs since it is agreed by most authorities that programming should be done at the school level where it is easier and more effective to deal with the needs of children in their local environment. The prime role of the Department should be to assist in the development of programs and to provide ongoing consultative services. The Department should indicate only the general classifications of types of programs and services which it considers to be compensatory. The classifications could include programs which are family-related, community-related, socio-economic, academic, non-academic, recreational, life skills related, language-related, etc.

Programs in place in the Winnipeg School Division could provide some indication of appropriate programming. They include:

- pre primary classes
- nursery classes
- ethnic teacher aides
- craft development programs
- alternative school programs
- immigrant student programming
- crisis teachers
- migrancy programs
- summer enrichment programs
- Native education programming
- community school programming

Concerning the Winnipeg programs, in the past there have been no expectations by the Department that the Division will demonstrate cost effectiveness or success of the programming for which it is receiving funding. However, monitoring should be expected in the future. In a letter⁴⁰ to the Chairperson of the Winnipeg School Board, dated March 3, 1983, the Minister of Education requested the Board:

⁴⁰The Honourable Maureen Hemphill to Brian Dixon, Chairman, Winnipeg School Division #1: letter of March 3, 1983.

- a) to enter into consultation with Departmental Staff concerning Inner-City needs, programs and expenditures.
- b) to identify before the fact, those schools and/or programs which will be served by the special grant.
- c) to provide, after the fact, to the Department an accounting of expenditures and a listing of the needs and populations served.

Under a system of provincial assistance in the funding of compensatory education, it is proper that the Department of Education monitor the programs and their attendant costs. However, because of this very nature, it is extremely difficult to gauge the effectiveness of many of the programs. In some cases, assumptions have to be made which are based on experience and common sense. For instance, it is fairly safe to conclude that a program that improves a child's nutrition will have a positive effect on most aspects of the child's life, including education. A similar assumption might be made about programs which improve school attendance and interest of the child in school.

In addition, monitors need to be aware that attempts to measure improvements in achievement through testing programs have received a mixed reception. It would be very satisfying to policy makers if concrete evidence of improvement in achievement could be provided. The Mullin-Summers Report had some serious reservations about the methods used to measure program effectiveness. Nevertheless, they concluded that compensatory programs "have a positive but small effect on the achievement of disadvantaged children."⁴¹ Monitors should include achievement testing, providing precautions are taken concerning application and interpretation in the evaluation of program effectiveness.

Monitoring of costs poses a different problem. It is easy to account for expenditures but quite difficult to determine their cost

⁴¹Mullin and Summers, p. 342.

effectiveness. There is little in the literature which provides enlightenment. The Mullin-Summers Study found that "those studies that addressed the relationship between dollars spent on compensatory education and achievement gains were nearly uniform in finding no significant positive relationship." Sparsity of information on cost effectiveness should not, however, discourage the development of compensatory education programming. The more important aspect is program effectiveness.

Funding

The Minister's mandate for the Education Finance Review indicated that a recognition of socio-economic factors needed to be "built into" any financing scheme. The built-in feature might imply a system of weightings, as in Ontario. However, the Review is of the opinion that a categorical grant is a more appropriate mechanism since the Province is interested in providing incentives for compensatory programming.

It is difficult to determine the nature of a provincial grant at the present time since compensatory funding is provided solely to Winnipeg. An appropriate initial approach could be to establish a fund to which school divisions make application for grants, both to sustain and enhance existing programs, and to develop new programs. After a period of two or three years, with experience gained regarding appropriate eligibility criteria for urban, rural and northern areas, and with knowledge of appropriate local programming responses to socio-economic disadvantages, compensatory grants could become an integral part of the overall education finance system.

It would be important for the Province to make its long range intentions known, including its intent to cost share compensatory funding on the same basis as it shares in the funding of the basic program. School divisions need assurance that compensatory programs, when developed, will have ongoing provincial support.

Recommendations

The Review recommends:

- that funding for compensatory education be provided on a province-wide basis in 1984 from a compensatory education fund of \$13 million.⁴²
- that compensatory education funding be administered by the Child Care and Finance branches of the Department of Education, with assistance from an advisory committee to be established by the Minister of Education. The first requirements of this administrative group in the fall of 1983 will be:
 - to endorse criteria which can be used to determine eligibility⁴³ for compensatory services.
 - to provide clear descriptions of the types of programs and services⁴⁴ for which funds will be available, including those designed to deal with the disadvantage, as well as with the disadvantaged child.
 - to convene a provincial conference to acquaint Division personnel with compensatory education policies, eligibility criteria, and programming possibilities.

⁴²The suggested amount relates to Winnipeg's current expenditure on compensatory programs, an expectation that there will be some expansion in programming in other divisions in 1984, and a 10%-90% cost sharing by local jurisdictions and the provincial government.

^{43,44}Initially, criteria employed by, and programs in place in, Winnipeg School Division could be "authorized," subject to local modifications. Reports prepared by Bob Davies and Paul Madak, Winnipeg School Division personnel, could be made available to the Compensatory Education Fund advisory committee.

- that the approach to funding compensatory education be evolutionary, with funds provided initially on an application basis, and later as categorical grants.
- that school divisions apply for funding on the basis of school-level eligibility and school-level programming.
- that compensatory education programs be cost shared between division and province, with the extent of provincial participation at the same level as is its share of basic funding.
- that funding to Winnipeg School Division in 1984 be on the basis of programs in place, and funding to other divisions in the form of development grants for programs to be in place by September, 1984.
- that, if funding priorities are necessary, those programs involving young children be given first priority.
- that ongoing consultation services and monitoring be provided by the Department of Education.

Vocational

During the course of its hearings, the Review felt that there was strong support for current vocational grants as they apply to vocational programs with substantial enrolments.

Problems occur when vocational course enrolments are relatively small, but of such a nature that the divisions wish to retain the program. Grant calculations, perhaps, produce three or four eligible units for six

or seven vocational courses. Since it is difficult to hire part-time vocational teachers, a division may be obliged to hire more teachers than the number who "qualify" for the current \$23,000 grant. Further, in these situations, vocational teachers certified to teach only in a particular field, and yet not teaching fully every day in their area of expertise, cannot be used to advantage in the academic portion of the vocational program because of certification restrictions. The Review sees a necessity to address these two related issues.

In some areas of the Province, there is a reluctance to "lose" students to a vocational program in a neighbouring school division. The "sending" division not only loses the grants associated with the vocational student, but it is also liable for residual costs to the neighbouring division, and possibly increased transportation costs. Solutions proposed to the Review have included suggestions that the Province assume the residual costs, or that both sending and receiving divisions be funded. Certainly, there is a desire that no student be denied access to a vocational program because the division of residency cannot "afford" the cost of the program. There is need for this particular situation to be studied within an overall concern for non-resident fees and residual costs.

It is the understanding of the Review that funding has been guaranteed for the 1983-84 school year for the coordinator of vocational education for the multi-campus program sponsored jointly by Morris-Macdonald, Red River, Boundary and Rhineland School Divisions; and for the Cooperative Vocational Education program currently offered in Western, St. Vital and St. Boniface School Divisions. Should increased Government funding for vocational programs experiencing small enrolments be implemented, there may not be need for this supplementary funding for a coordinator, and for the Cooperative Vocational program.

During the next school year, pilot projects should be conducted on evaluation of program delivery and costs in small vocational schools, in coordination with other small schools pilot projects.

Recommendations

The Review recommends:

- that Vocational Industrial support be based on the 1983 support of \$23,000 for each eligible unit, with an annual adjustment determined by the increase in the Winnipeg Consumers' Price Index, or on an Education Price Index to be developed for the Province.
- that the number of eligible units for a school division with an average of 40 pupils or more per vocational course be determined by dividing the number of full time equivalent pupils in the Vocational Industrial Program by 15, and if there is a remainder, the number of eligible units shall be increased to the next highest whole number.
- that the number of eligible units for a school division with an average of fewer than 40 pupils per vocational course be determined by dividing the number of full time equivalent pupils in the Vocational Industrial Program by 10, and if there is a remainder, the number of eligible units shall be increased to the next highest whole number.
- that a study be undertaken in relation to staffing considerations associated with vocational programs by a committee appointed by the Minister, with representation from the Department, the Board of Teacher Education and Certification, the Manitoba Teachers' Society, the Manitoba Association of School Trustees, the Manitoba Association of School Superintendents; and with representation from labour and the business community; with the committee to report by March 31, 1984.
- that a funding commitment to the coordinator of vocational programming, Red River Vocational Area, and to the Cooperative Vocational Education program, beyond the 1983-84 school year, be delayed pending an assessment of the overall vocational

funding provided to appropriate divisions.

- that, in relation to the small schools study recommended on page 111, particular attention be paid to the evaluation of programs and costs in small vocational schools.*
- that a study be undertaken in relation to non-resident and residual costs, for both vocational and academic programs, with a view of providing standardized bases across the province for determining such costs, by a committee appointed by the Minister with representation from the Department, and from the Manitoba Association of School Business Officials and the Manitoba Association of School Superintendents; with the Committee to report by March 31, 1984.*

English as a Second Language

In this area, the Review sensed general satisfaction with current funding procedures for assisting with E.S.L. instruction of immigrant students. However, regulations associated with eligibility for the immigrant programs could be broadened, in the opinion of some presentors. In addition, funding for E.S.L. programs for non-status⁴⁵ native students should be provided.

The Review is of the opinion that E.S.L. grant monies should not be expended on "two teacher aides," rather than one teacher. The Province should not leave the impression that instruction can be handled solely by aides, although it is recognized that the assistance of teacher aides can be of great value. Funds for the hiring of aides should be available from other revenues.

⁴⁵Education of status Indian students is, of course, a federal responsibility. Treaty Indians are not counted in eligible enrolments.

The suggestion from the E.S.L. Advisory Committee that some students, other than immigrants or non-status natives, who are deficient in language usage be eligible for funding, and presumably for an E.S.L. program, has been rejected. The Review feels that funding will be available for additional programs of a remedial and/or make-up nature (and not necessarily of an E.S.L. nature) through the expanded curricula materials grant and the new compensatory education grant.

Recommendations

The Review recommends:

- that E.S.L. grants be based on 1983 support, with an annual adjustment determined by the increase in the Winnipeg Consumers' Price Index or Education Price Index.
- that immigrant student support and non-status native student support for instruction in English as a Second Language be one of a), b), c), or d), but not exceed the total expenditure on E.S.L. instruction;⁴⁶
 - a) in divisions where eligible immigrant and non-status native student enrolment is less than one percent of the eligible enrolment, the immigrant and native enrolment is multiplied by \$660.

⁴⁶It is necessary to alter current provisions since several school divisions, with the added responsibility of E.S.L. for native students, will have programs for considerably more than 1% of eligible enrolment.

- b) in divisions where eligible immigrant and non-status native student enrolment is between 1% or more, and less than 3%, of the eligible enrolment, the support is the number of eligible units determined by dividing the eligible enrolment by 850, and if there is a remainder the number of eligible units shall be increased to the next highest whole number or the number of teachers employed, whichever is lesser, multiplied by \$23,000.
- c) in divisions where eligible immigrant and non-status native student enrolment is between 3% or more, and less than 5%, of the eligible enrolment, the support is the number of eligible units determined by dividing the eligible enrolment by 650, and if there is a remainder the number of eligible units shall be increased to the next highest whole number or the number of teachers employed, whichever is lesser, multiplied by \$23,000.
- d) in divisions where eligible immigrant and non-status native student enrolment is 5% or more of the eligible enrolment, the support is the number of eligible units determined by dividing the eligible enrolment by 450, and if there is a remainder the number of eligible units shall be increased to the next highest whole number or the number of teachers employed, whichever is lesser, multiplied by \$23,000.
- that regulations be so amended that there is opportunity to extend E.S.L. instruction beyond two years in the elementary grades if a student is not yet sufficiently proficient in English to receive regular classroom instruction.

French

The terms of reference for the Education Finance Review read, in part:

"There is need for the Department of Education to provide clear definitions of the various French programs under its jurisdiction, and for the Review to examine appropriate funding for each program."⁴⁷

The Review has felt somewhat hampered in its examination of "appropriate funding" since "clear definitions of the various French programs" have not all been finalized. At the time of writing, the Chairman has just received "A New Policy for Basic French," June, 1983.⁴⁸ Definitions of French Immersion and Français programs have not yet received ministerial approval.

In spite of the lack of clarity on French programming, the Review has undertaken considerable study. It was felt that prior to formulating recommendations, the Review should examine the most recent history of federal funding of second languages and minority education, and the provincial use of those grants in its own funding mechanism.

In addition, since the purpose of French grants is to supplement existing funding, the Review attempted to determine what additional costs do exist for French language instruction.

Federal Funding

During the 1970's, the Province of Manitoba received "formula payments" from Ottawa to assist in payment of additional costs encountered

⁴⁷"Education Finance Review," p. 5.

⁴⁸"A New Policy for Basic French" is Appendix C to this Report.

in minority education (Français) and second language education (essentially conversational French). They were calculated on the basis of the average cost of educating a Manitoba student, and were related to "full-time equivalents." In the Français program, K-6, a student receiving at least 75% of his or her instruction in French was considered to be one full-time equivalent (F.T.E.). At the 7-12 level, 60% of instruction in French was the requirement for one F.T.E. In second language education, since most students taking conversational French were instructed approximately twenty minutes per day, and since most schools had a 300 minute school day, it required approximately 15 students to equal one F.T.E. Additions to the average cost were 9% for minority education, 5% for second language instruction, and a further 1½% for administration. Further, in 1975, the Province negotiated with the Federal Government, under Annex F of the non-formula payments, a cost-sharing agreement to cover approximately 50% of a development grant introduced that year in Manitoba.

With cost-sharing and formula payments, Ottawa's contributions to the Province increased rapidly. This was due in large measure to the advent of French Immersion Programs which the federal authorities funded as minority education (9%), not as second language instruction. Commencing in 1979-80, Ottawa has set ceilings on money available to the Province through formula payments.

Federal payments to Manitoba, 1970-71 to 1982-83, are indicated in Table VI, page 97.

Provincial Funding

The Province funded school divisions until the mid-seventies on the basis of the federal formulas which amounted to \$90.00 per F.T.E. for minority education and \$47.50 per F.T.E. for second language education.

TABLE V/
French Grants in Manitoba*
1970-71 to 1982-83

<u>Grants paid to School Divisions</u>					<u>Grants received from Ottawa</u>			<u>Difference</u>
<u>Year</u>	<u>Français/ Immersion</u>	<u>Core French</u>	<u>Convers. French</u>	<u>Total</u>	<u>Formulae</u>	<u>Annex F</u>	<u>Total</u>	
70-71	277,826			277,826	632,057		632,057	354,231
71-72	336,640		193,924	530,564	502,500		502,500	(28,064)
72-73	417,480		222,900	640,380	1,181,231		1,181,231	540,851
73-74	460,123		315,096	775,219	1,390,031		1,390,031	614,812
74-75	505,356		340,083	845,439	865,743		865,743	20,304
75-76	485,114		341,250	826,364	1,604,279	242,560	1,846,839	1,020,475
76-77	1,764,615		353,162	2,117,777	1,747,810	148,165	1,895,975	(221,802)
77-78	2,047,570		360,190	2,407,760	2,658,104	232,845	2,890,949	483,189
78-79	2,029,425		359,250	2,388,675	2,527,765	249,999	2,777,764	389,089
79-80	2,090,782		340,425	2,431,207	1,857,306	171,975	2,029,281	(401,926)
80-81	2,541,989	33,089	313,840	2,888,918	2,117,420	260,700	2,378,120	(510,798)
81-82	3,010,475	88,413	319,575	3,418,464	2,390,510	301,700	2,692,210	(637,841)
82-83	3,334,058	158,297	313,160	3,805,515	3,150,625	169,600	3,320,225	(485,290)

*Source: The Bureau de l'Education française, Department of Education.

In 1975-76, funding was increased to \$190.00 per F.T.E. for Français and Immersion (and termed a maintenance grant), and to \$50.00 per F.T.E. for conversational French. In addition, the Province introduced a development grant of \$357.00 per F.T.E. The development grant is essentially paid once, although additional grants can be claimed with expanding enrolments, and as initial classes of students move up through the grades. The amounts of \$190.00 and \$357.00 remain in effect in 1983.

In 1980-81, the Province introduced a pilot Core French program of 40 minutes per day, commencing in grade 4, to be funded at \$190.00 per F.T.E. Students in the pilot programs, and others enrolling in Core French in pilot schools, continue to be funded at \$190.00 per F.T.E. Those taking Core French in non-pilot schools are funded at \$50.00 per F.T.E.

Provincial payments to school divisions for French programs, 1970-71 to 1982-83, are shown in Table VI, page 97, the same table in which federal payments are indicated. It should be noted that the Province is now consistently providing funds over and above those received from the Federal Government to promote French language instruction.

Additional Costs

It is very difficult to determine the additional costs of French educational services to the students of Manitoba. Much depends upon the method of delivering those services. If classroom teachers are able to teach Basic French to their own students, additional salaries' costs will be much less than in school divisions where French language specialists, perhaps as itinerants, are employed. The initial set of circumstances could be similar in relation to the establishment of French Immersion and Français programs. Depending upon the delivery of instructional services, additional salaries costs could vary considerably from division to division.

The situation regarding transportation is another concern: the location of Immersion and Français programs, and whether or not the division is committed to single or dual track programming, could greatly affect the additional costs for transportation.

Still other factors to be considered include the additional costs for textbooks, library books, and a wide assortment of media materials which in Manitoba are more expensive than English language books and materials.

In March of 1982, the former Research and Planning Branch of the Department of Education issued a report on the additional costs of offering Core French in the pilot programs. The report concluded:

- 1) The additional cost of providing Core French is dependent upon the method of delivery, i.e., whether the program is delivered by the classroom teacher or by an itinerant/specialist.
- 2) Some of the additional cost of providing Core French may be attributed to a reallocation of resources previously used to provide Conversational French; and/or to the need to provide additional teaching time to allow for preparation time.
- 3) The cost of materials involved in the delivery of Core French programming appears to be small relative to the cost of teacher time.
- 4) The start-up cost of the materials for the provision of Core French programming may be related to the pre-existing inventory of instructional materials.⁴⁹

⁴⁹Research Branch, Department of Education, "Additional Costs for Offering Core French," March, 1982, p. ii.

The foregoing statements tend to add to the difficulties of determining additional costs, when expenditures in any one division could vary so greatly from average costs.

Once all school districts and divisions are "on FRAME," it should be possible to determine more precisely the additional costs of French language programs. The Department should initiate a study in this regard. However, for the present, the Review is assuming that the additional costs associated with instructional salaries, textbooks, supplies and much of the library and media materials are ongoing, and should be covered within the "maintenance" grant. Monitoring of school division reports and audited statements submitted to the Review and to the Bureau de l'Education française division leads to a conclusion that the costs for Français and Immersion programs are approximately 10% above the average cost for educating a pupil in Manitoba.⁵⁰ The Review has borne these "additional cost" figures in mind in its recommendations on maintenance grants.

Some additional costs are viewed as one-time developmental expenses. In particular, with regard to Français and Immersion programs, these costs are associated with library and other media materials. (Textbooks, while expensive, are ongoing costs, as students advance from grade to grade, and as the need for replacement occurs.) The Review considered the possibility of an initial establishment grant for a school moving in to an Immersion or Français program. Concerns were felt, however, that such a grant might encourage multiple tracking rather than Immersion or Français schools or centres. The Review was conscious also of a subsequent recommendation on curricula materials that should be viewed in part as a development grant for all new curricula. Accordingly, the option of a considerably enhanced maintenance grant, with the elimination of the development grant, has been selected.

⁵⁰Federal funding, before ceilings were imposed, was based on similar reasoning, i.e., 9% for minority language education.

It should be noted that the additional costs associated with transportation to and from the schools in which French programs are offered are considered elsewhere in the Report.

It should be noted also that the Review considered providing funding for French language coordinators who, in most instances, would be hired by a group of school divisions. This possibility should be held in abeyance until such time as the assistance to be provided to French language instruction from the recently established Regional Services Branch is known.

Recommendations

The Review recommends:

- that a study be undertaken to determine "additional costs" of French language programs.
- that funding of conversational French be at \$50.00 per full-time equivalent student.
- that funding of Basic French be at \$100 per full-time equivalent student.
- that funding of the French Immersion program be at \$300 per full-time equivalent student.
- that funding of the Français program be at \$300 per full-time equivalent student.
- that the practice of providing an additional development grant⁵¹ be discontinued.

⁵¹When a school division under this proposal would receive a grant for the French language program of an amount less than the grants received under the Education Support Plan, the school division may elect for one year to take the larger of the two grants.

Heritage Languages

The Review is of the opinion that heritage language courses and heritage language bilingual programs should be funded in a manner somewhat similar to the funding of French language programs. Certainly, these courses and programs have been approved, and perhaps encouraged by the Department of Education. They do have the same kind of additional costs related to textbooks, supplies, library and other media materials. And they could have additional costs related to staff.

Difficulties in determining per pupil costs in heritage language programs exist, just as was noted for French language programs.

Recommendations

The Review recommends:

- *that a study be undertaken to determine "additional costs" of heritage language programs.*
- *that heritage language courses (40 minutes instruction daily) be funded at \$100 per full-time equivalent student.*
- *that heritage language bilingual programs be funded at \$300 per full-time equivalent student.*

Curricula Materials

During the course of its study, the Review received input in relation to the print and non-print grant, library and media materials, and

curriculum implementation. In addition to the public hearings, meetings were held with the Curriculum Planning and Review Council, personnel of the Department's Instructional Media Services Branch, and several curriculum consultants. It should be noted, also, that both school librarians and public librarians made presentations.

Concerns in these areas may be summarized as follows:

- 1) The print and non-print grant of \$30.00 per student is viewed as inadequate by many educators in the field, although several school divisions had relatively large carry-overs at the end of 1982.⁵² The \$30.00 amount does seem to be minimal in relation to such textbook costs as \$38.35 for "Computer Science, a First Course;" \$28.75 for "Biological Science Molecules to Man;" and \$32.25 for "Management and Organization." Reports of classroom sets, at the junior and senior high school levels, rather than a text for each student, were heard frequently.
- 2) Expenditures on library books and other media centre materials are not keeping pace with inflationary costs. The average expenditure per pupil in these areas in both 1981 and 1982 amounted to \$9.00, with a variance in 1982 from no expenditures (6 districts or divisions) to \$41.00. Thirty-four districts or divisions expended less than \$10.00 per pupil in 1982 on media centre books and materials.⁵³

⁵²The Review is aware, however, that some divisions seek to build up a surplus with the Manitoba Textbook Bureau in order to have funds on hand to assist in future curriculum implementation, or for the opening of a new school. With inflationary prices such as they are, this practice may be one of false economy. As of December, 1982, 36 school divisions had credit balances with the Bureau, varying from \$109.25 to \$260,418.09. The total of unexpended grant balances was \$1,061,629.22. (Information provided by Manitoba Textbook Bureau.)

⁵³Information provided by Finance Branch, Department of Education.

- 3) Curriculum Implementation is viewed as expensive. The cost is not simply one of a new text, but rather the cost of a variety of required supplementary materials and a major cost associated with in-service. Educators in rural Manitoba and in the north expressed a need for additional consultative help from the Department in curriculum implementation, and a hope that more could be done at the local level in this regard.

The Review considered a one-time per pupil curriculum implementation grant on each occasion that a new course is introduced. However, this would prove difficult administratively since there will be many new curricula⁵⁴ implemented in the next few years, since the implementation may be in any one of two, three or four years, and since the costs of implementation vary considerably among curricula.

In recognition of the rising costs of texts and curriculum implementation, and the need for an incentive to encourage more library purchases, the Review is recommending a curricula materials grant to replace the present print and non-print grant. The Review is also hopeful the new Regional Services Branch of the Department may assist in the regional workshops and in-services associated with curriculum implementation. There may be opportunities for secondment from a school division of personnel with particular expertise during the time frame of implementing a new curriculum in a subject area.

⁵⁴In September of 1984, a school division could be implementing new curricula in senior high school mathematics, science, chemistry, physics, biology, music, computer awareness and computer science; language arts, social studies and physical education K-12; art and health K-9; life skills 7-9; business education; and occupational entrance 7-12.

Recommendations

The Review recommends:

- *that a curricula materials grant of \$60.00 per pupil be provided.*
- *that a minimum of \$20.00 of the grant be expended on library materials.*
- *that the new Regional Services Branch view as a top priority the provision of consultative assistance with the implementation of new curricula.*

Continuing Education

At the present time, monies are provided for continuing education as follows:

1) Within the Education Support Program

Some adults who are continuing their education are enrolled in regular day time classes in public schools. They are included in the eligible enrolment of school divisions and are thus part of the enrolment upon which support is calculated.

As of September 30, 1982, a total of 2,654 students, 19 years of age or older, were enrolled in secondary schools. Some of these students, of course, are completing high school without having left school; others have returned to school after a period of absence.

2) Within Other Grants (16-3(a))

- English as a Second Language for Adults
 - \$1.50 per hour per pupil for schools located in a city
 - \$1.70 per hour per pupil for schools located in any other school where:
 - (a) the pupil is over 14 years of age; and
 - (b) the pupil is not enrolled in a daytime E.S.L. Program.
 - actual cost of textbooks
- Evening School
 - \$7.70 per teacher for each full teaching hour where:
 - (a) the session is held in a school in a city;
 - (b) 10 or more pupils over 14 years of age are in attendance at each class; and
 - (c) the course being taught has been approved by the Minister or a designate.
 - \$7.70 per teacher for each full teaching hour where:
 - (a) the session is held in a school in a city;
 - (b) the average attendance of pupils over 14 years of age per session in the term is 8 or more; and
 - (c) the course being taught has been approved by the Minister or a designate.

In addition a "door opening grant" of \$25.00 per evening is paid to a school division when a school located outside a city is opened for E.S.L. or evening school for adults.⁵⁵

⁵⁵ Total funding for this portion of "Other Grants" in 1983 is:	
English as a Second Language for Adults	- 604,850
English as a Second Language Textbooks	- 40,000
Evening School Teachers	- 250,329
Door Opening Grant	- 88,375
	<u>\$983,554</u>

The Review is aware that responsibility for adult E.S.L. classes has been transferred from the Program Development and Support Services Division to the PACE Division of the Department, and assumes that responsibility for funding recommendations, especially since there is an intention to make payments to organizations other than school divisions, now rests with PACE.

The Review is of the opinion that, since instruction is provided in schools, the students in evening school (taking courses approved by the Minister) should be equated to "full time equivalents" and counted for funding purposes in the same manner as are adults enrolled in day-time programs. However, implementation of this suggestion appears to present administrative problems. In order to count as part of eligible enrolment, the number of full-time equivalent adult evening school students would need to be known on September 30th -- to determine the extent of a division's decline in enrolment, for example. Yet attendance at evening school is much less predictable than is the attendance of day school students. Evening school courses could be dropped after a week or two if attendance is poor. In addition, many divisions schedule programs for three or four sessions in a school year. As an alternative, perhaps it would be possible to provide a school division with block grants, based on full-time equivalency, without a concern for weighted enrolment.

It would seem logical for funding purposes, especially in view of the concept of education as a life-long process, to treat "continuing education students" in a manner similar to day-time students.

Recommendations

The Review recommends:

- *that a study be undertaken on the feasibility of equating evening school students to full-time equivalent students, as part of a division's eligible enrolment, or as eligible for the proposed block grant; and*

- that, pending completion of the study, the 1984 estimates of expenditure in this area be based on 1983 funding, plus a factor reflecting any increase in the Winnipeg Consumers' Price Index or Education Price Index.

Small Schools

The rationale for the Education Finance Review makes reference to the fact that the current Education Support Program has not addressed fully those social and economic factors related to small schools: fewer pupils, empty spaces, increasing transportation costs, etc.⁵⁶ There is recognition that it is difficult to maintain programs in small schools when funding is so closely related to numbers of students.

There is also a recognition on the part of the Review that small schools will remain a part of the Manitoba educational scene. In 1983, 77 high schools (grades 9-12) and 191 elementary schools (K-8) qualify as small schools.⁵⁷

During the last two years, the Province has sought to address its concern⁵⁸ for small schools through a small schools grant with the object of providing "a compensatory support program ... to enhance equal educational opportunities."⁵⁹ Monies received are to supplement, not replace, existing financial support. In 1982, the program was envisioned as interim -- "the allotment of one-time, conditional grants."⁶⁰

⁵⁶"Education Finance Review," p. 1.

⁵⁷Information provided by the Coordinator, Small Schools Support Program.

⁵⁸In addition to announcing small schools grants, the Department of Education has issued school closure guidelines to ensure that schools, either small or large, are closed only after careful consideration.

⁵⁹"Compensatory Support Program for Small Schools," policy statement issued by the Minister of Education, May, 1982. (The full statement forms Appendix G to this Report.)

⁶⁰Ibid., p. 2.

However, the program with minor adjustments has been extended into the current year.⁶¹

Some \$1.7 million were provided in 1982, and \$1.8 million in 1983. During 1982, funds were expended primarily on material resources; in 1983, there will be more emphasis on the purchase of human resources. In addition, some pilot programs have operated, allowing for the implementation of new approaches to program delivery,⁶² and this year the Planning and Research Branch of the Department administered a questionnaire to teachers in small schools to identify specific areas of concern.⁶³

The Education Finance Review is supportive of what action has been taken, and recommends continuation for another year of the supplementary small schools grant. However, the Review feels that a much more comprehensive study than has been undertaken to date should be launched:

- to evaluate existing programs in small schools;
- to explore a wide variety of alternatives including use of microcomputers, audio tapes, video tapes, etc., and use of new "distance education" technology such as communication satellites, videodiscs and videotex;
- to determine costs.

⁶¹Letter from the Minister of Education to School Division Personnel April 5, 1983. (The full letter forms Appendix H to this Report.)

⁶²Pilot projects have included development of a computer-managed instruction course in Physics 200; computer link-ups among small schools; French language computer software; a mobile career education unit; and a program for a multi-handicapped student. Some projects seek to provide in-service training for teachers and teacher aides. Other projects have applicability beyond small schools: enrichment programs, resource centre materials, pre-school readiness program, community school support program. In each of 1982 and 1983, \$200,000 have been earmarked for pilot projects.

⁶³The most critical issues identified are: inadequate library resources; insufficient opportunities for special education students; lack of supplementary materials for classroom use; and, at the secondary level, inadequate vocational programs.

This study could be undertaken with the involvement of existing personnel from various branches of the Department of Education: Management Information Services; Instructional Media Services; Correspondence Branch; Project FRAME of the Finance Branch; Planning and Research Branch; Regional Services Branch; Post Secondary, Adult and Continuing Education Division. Current small schools coordinators and the Advisory Liaison Panel should certainly provide assistance.⁶⁴

This comprehensive study could also assess the possibility of a small schools categorical grant serving, not as a supplement to existing grants, but as an overall grant relating to the particular program delivery of small schools with similar programming characteristics. Such a grant could be more responsive than current grants to program requirements rather than numbers of students.

Recommendations

The Review recommends:

- *that the present Small Schools Grant:*

*Elementary School - \$4000 + \$25 per pupil for every student
above 25*

*High School - \$8000 + \$25 per pupil for every student
above 25*

*be continued into 1984, under the same policy guidelines⁶⁵ as
currently exist.*

⁶⁴The study could examine the Report of the Commission of Inquiry Regarding Small Secondary Schools in Northern Ontario submitted to the Minister of Education in Ontario by Roger Allan, February 15, 1983. Mr. Allan's report includes discussion of an "itinerant teaching resource" and "high technology" vans.

⁶⁵See Appendices G and H.

- that a study of small schools be undertaken, under the aegis of the Administration and Finance Division of the Department of Education, to evaluate existing programs, to explore alternative programs including programs of distance education, and to determine costs of programs for small schools; and to report its findings by March 31, 1984.

A sum of \$2,000,000 should be included in 1984/85 estimates for the small schools grant.

Transportation

Concerns over transportation have been expressed frequently during the past two or three years. They relate in part to the escalating costs of fuel, lubricants and vehicle maintenance, but there are additional concerns because current transportation funding, based primarily on "transportable" pupil grants, does not fully take into account such factors as:

- the effects of declining enrolments on bus loading and routing
- the busing of students in cities, towns and villages
- variations in road conditions
- costs of travel on public transit
- the need to transport students to language programs such as French Immersion and Heritage Language bilingual programs
- the very high costs of transporting some physically and multi-handicapped students
- transportation as an alternative to new construction.
- transportation resulting from school closures
- transportation required to avoid hazardous locations

The list could be enlarged. Many submissions and presentations to the Review recommended changes in eligibility for funding, and to the current grant formula.

In seeking to respond to the many concerns with transportation regulations and funding under the Education Support Program, the Review examined several alternative formulae based on mileage, vehicle, route, etc. Attempts were made to compare contract with division-owned programs, to consider urban transportation under a public transit system, and to examine the possibility of a single transportation authority for the Province. Of particular interest are Ontario's and Alberta's "fleet" funding schemes for rural transportation. However, the Review simply does not have access to a sufficient data base of school division costs to determine the advantages and disadvantages of alternate funding mechanisms. The Review feels that further study is necessary to understand each division's particular method of handling its transportation needs efficiently, economically and safely, and to ensure reasonable equality of service to all students.

Basis for Funding

Accordingly, for the next year or two, divisions should submit transportation proposals to the Department in much the same way as proposals for new school construction or for purchase of buses are currently submitted to the Public Schools Finance Board. The Department could then indicate approved funding according to previously announced criteria.⁶⁶ Subsequently, with an adequate data base, the Department should determine a transportation grant which will remove the need for annual submission.

Principles of Funding

The Review is committed to the principle of the Province's funding 100% of the costs of transporting students (beyond walking distance) to

⁶⁶There will be need to have criteria on which funding is based known in advance of submissions. Department personnel will not want to make "judgements" on quality of service.

and from the school, or multi-campus, in which they receive their educational program, and as determined by the school board. Equality of educational opportunity may be restricted if funds are diverted to transportation costs and away from school programs.

It should be noted that the Review supports urban transportation; pupils in cities, towns, and villages should have the same transportation provisions as rural pupils. Further, transportation should be provided to and from the school in which the Board offers the program the student requires. There should be no implication of discrimination, or elitism, due to transportation costs associated with vocational, special needs, or language programs.

Transportation costs associated with field trips, outdoor education and extra-curricular activities should be viewed as program costs to which other aspects of funding, e.g., block grant, apply.

Eligibility for Service and Funding

In most instances, busing should be provided to those students who have more than one mile (1.609 kilometres) to walk in order to reach the school assigned by the local board. Normally, school bus service should be provided within $\frac{1}{2}$ mile of the residence of the pupil. The maximum time for a bus to travel from its first pick-up point to the school should be one hour.

In some instances, busing should be provided to students within the one mile radius who would be exposed to unacceptable hazards if required to walk to their assigned school.

Regardless of the distance from their schools, eligible special needs students should continue to receive transportation, and at the actual approved cost of the transportation.

It should be the responsibility of the parent or legal guardian to move pupils to and from the bus stop, or the bus pick-up point, assigned by the local school board.

Approved Costs

It is not possible to detail the precise regulations which might be developed by the Department with regard to transportation funding. However, "approved costs" should include:

Salaries and fringe benefits.

- 1) Administration
- 2) Support Staff
- 3) Driver instruction
- 4) Mechanics
- 5) Drivers

Fixed costs.

- 1) Insurance - vehicles
- 2) Licences - vehicles
- 3) Contracted school bus services
- 4) Payment in lieu of school bus service
- 5) Training programs
- 6) Vehicle electrical power
- 7) Expenditure to other jurisdictions
- 8) Inventory parts
- 9) Inventory tires

Variable costs.

- 1) Gasoline
- 2) Vehicle repairs

- 3) Oil and lubricants
- 4) Tires
- 5) Vehicle modifications
- 6) Special studies

Implementation

Should the recommendation of the Review on transportation be acceptable,⁶⁷ the following timetable of implementation should be considered:

October 15	- announcement of plan
October 15-October 31	- required meetings to explain basis for funding, eligibility, approved costs, etc.
November 15	- submission by divisions of transportation plans ⁶⁸
November 15-December 15-March 31	- analysis of submissions
December 15	- announcement of approvals for transportation to be in place on January 3, 1984
March 31	- announcement of approvals for transportation to be in place on September 1, 1984

An estimate of the full cost of implementing the transportation recommendations is dependent upon the "phasing-in" aspect of urban transportation. School districts and school divisions, according to budget submissions, are estimating transportation expenditures in 1983 of just over

⁶⁷The Department must be aware that acceptance of the recommendation would necessitate some reallocation of staff to the Transportation section of the Administration Branch to handle the submissions from every school district and division.

⁶⁸It is assumed that implementation of new urban transportation arrangements will not be in place until the fall of 1984. The need for purchase of buses, estimated by the Department's transportation section to amount to \$6 million, or for arrangements with public transit, or for additional contracts with private operators would make earlier implementation difficult.

\$33 million, of which \$24.5 million will be covered by provincial support. Some of the \$8.5 million charged against special levies is due to the costs of urban transportation not covered by grant: the provision of twice-daily kindergarten busing; the provision of buses for field trips and extra-curricular activities; etc. The transportation section of the Administration Branch of the Department estimates that \$32 million of provincial monies would be needed in 1984 to cover full implementation of the Review's recommendations.

Recommendations

The Review recommends:

- that the Province fund fully the approved costs of transporting pupils to and from the school(s) to which they have been assigned by the School Board, provided that:
 - they live beyond one mile (1.609 kilometres) walking distance from their assigned school(s), or
 - they qualify for transportation as special needs students, or
 - they qualify for transportation because of hazardous conditions which prevent walking.
- that the Department provide an early announcement of the criteria upon which approved funding will occur, i.e., routes, pick-up points, loading, length of time on bus, use of public transit, etc.
- that approved funding be based on the submission to the Department by each district and division of transportation plans, indicating the means of providing "to and from" transportation and cost estimates.
- that a sum of \$32 million be provided by the Province in 1984 to cover approved transportation costs.

Capital

The terms of reference for the Review provide that there be no "examination of capital expenditures, other than in situations where there is linkage with operating expenditures, e.g., capital from current revenues."⁶⁹ This year, the Public Schools Finance Board altered existing provisions of the Education Support Program in this regard, and announced a new funding formula which removes the necessity for annual submissions to the Finance Board for capital from current revenues projects. The Education Finance Review approves the new formula for school buildings support, as outlined in Section 39 of Manitoba Regulation 146/83.

"Section 39 of the regulation as amended by Manitoba Regulation 146/83 is struck out, and the following Section is substituted therefor:

39(1) In this section "school buildings support" means support provided by the board to the school divisions for the purpose of providing such items as designated by the board to be included in this category.

39(2) The amount payable to a school division by the board for school building support in respect of each numerical year shall be calculated in accordance with the following formula:

FORMULA

$$\text{School Buildings Support} = \frac{\frac{A}{B} + \frac{C}{D}}{2} \times P$$

In this formula

- (a) "A" is the sum of ages of active school buildings which are located in the school division;

⁶⁹"Education Finance Review," p. 4.

- (b) "B" is the sum of ages of active school buildings within all school divisions in the Province of Manitoba;
- (c) "C" is the sum of the area in square meters of active school buildings which are located in the school division;
- (d) "D" is the sum of the area in square meters of active school buildings within all school divisions in the Province of Manitoba; and
- (e) "P" is the total annual amount of support designated by the Board for this purpose.

39(3) Where in any numerical year the amount expended by a school division for items designated by the board to be included in this category is less than the amount determined under sub section (2), the unexpended balance may be retained by the school division and applied against such expenditures in the next ensuing numerical year but this balance shall not exceed at any time the amount determined under Section (2)."

Monies for the grant are included within capital funds allocated by the Public Schools Finance Board. In 1983, \$3 million are set aside for school buildings support grants.

Recommendations

The Review recommends:

- that the 1983 school buildings support grant, implemented in place of the former capital from current revenues funding, be continued.

Equalization Grant

In the opinion of the Minister of Education, one of the three "priority" issues for the Education Finance Review to address is the disparity in revenue capacity among school divisions: "It is recognized that there is an extreme disparity in the capacity of school divisions to raise money on their property tax bases. A new financing scheme must take this into account and either limit reliance on special levies or provide some means of equalization."⁷⁰

Implementation of previous recommendations, and in particular that related to 90% provincial funding, would limit reliance on special levies.⁷¹ Any shift from the indirect support of property tax credits to direct support to school divisions could have a similar effect. It is also possible that improvements in assessment procedures, as recommended by the Manitoba Assessment Review Committee, could reduce the "extreme disparity" in revenue capacities of school divisions. However, important as the implementation of these recommendations may be, the Review is of the opinion that there is need both to limit reliance on special levies and to provide a means of equalization. Therefore, the Review is recommending that the special levy be equalized, with the equalization costs included within the 90% provincial coverage.

Manitoba has had equalization grants for the past decade. Early equalization grants, based on a tranche system, were "outside" the basic foundation program funding. Equalization was built into the 1981 Education Support Plan, primarily through a larger provincial levy -- and hence smaller local levy. However, a further equalization supplement has been provided during each of the past two years to enhance taxpayer equity. The need to provide this grant suggests an inherent weakness in the Education Support Program.

⁷⁰"Education Finance Review," p. 5

⁷¹The recommendation for the disassociation of education with a provincial property tax, without full provincial funding of the costs of education, recognizes the continuing need for money raising at the local level, most probably in the form of a "special levy" on property.

The equalization proposal here is not a new one for Manitoba. It was proposed on earlier occasions by the Minister's Advisory Committee on Education Finance, but has not yet been implemented.

Recommendations

The Review recommends:

- *that the special levy be equalized on the basis that the monies raised per pupil by one mill in the wealthiest district or division of the Province also be raised per pupil by one mill in all other less wealthy districts or divisions, with the Province making up the shortfall.*

By way of illustration, in Leaf Rapids the balanced assessment per pupil is \$28,666. One mill will raise \$28.67 per pupil. In Lakeshore School Division, the balanced assessment per pupil is \$8,561. One mill will raise \$8.56 per pupil. Under the equalization proposal here, the Province would make up the difference between \$8.56 and \$28.67, or \$20.11; thus a one mill levy in both Leaf Rapids and Lakeshore School Division will raise \$28.67 per pupil.

Full calculations related to the equalization grant are presented in a subsequent section of the Report on Cost Projections.

Block Grant

The Review is recommending a weighted pupil block grant, to constitute approximately 75% to 80% of government support to school divisions.

Weighting will tend to offset the concern expressed in relation to the Education Support Program -- that funding pupils ignores such factors as declining enrolment. The size of the grant should be appreciated by supporters of local autonomy.

The block grant in any year should be provided to a school division's eligible enrolment, determined on the previous September 30th, and weighted according to the following factors:

a) Declining enrolment

To offset the effects of declining enrolment, some "portion" of the decline should be retained over a three year period, granting the school division an opportunity to make gradual adjustments in staffing and programming. A recommended 60% - 30% - 10% weighting for 1984 grants would be calculated on eligible enrolments as follows:

September 1980 minus September 1981	x	.10, plus
September 1981 minus September 1982	x	.30, plus
September 1982 minus September 1983	x	.60

b) Teacher experience and qualification

To offset further the effects of declining enrolment, weighting should be provided to accommodate an "aging" staff. Decline in enrolment is accompanied by decline in numbers of staff, with the result that young, less experienced teachers are involved in the turnover.

The Review is recommending the following weighting calculation:

- Percentage of teachers with more than 10 years experience x the weighting for declining enrolment calculated in a).

- Percentage of teachers in Class V
plus percentage of teachers in Class VI
plus percentage of teachers in Class VII
plus percentage of teachers in Class VIII x the weighting
for declining enrolment calculated in a)

c) Northern adjustment

To offset the additional costs recognizable in northern Manitoba, the Review is recommending a .05 weighting for eligible enrolment in divisions and districts between the 53rd and the 56th parallel, and a .06 weighting for eligible enrolment in divisions and districts north of the 56th parallel.

d) Economies of scale

To offset the additional costs associated with smallness, in particular additional administration costs, the Review is recommending:

<u>Eligible Enrolment</u>	<u>Weighting Factor</u>
1600-2500	.02
800-1599	.04
fewer than 800	.06

The block grant provided to school divisions' weighted enrolment, according to the recommendations of the Review, should be calculated by subtracting from 90% of all school divisions' net operating expenditures, the total of categorical grants and the operating costs of the Public Schools Finance Board, and dividing the remainder by the provincial total weighted enrolment.

In its application, the size of the block grant may be varied somewhat in order that the combination of categorical grants, the

equalization grant and the block grant, totals 90% of the provincial net operating expenditures of school divisions.

Detailed calculations comparing 1983 funding under the Education Support Program with proposed funding if in effect in 1983, and detailed calculations of projections into 1984 are included in subsequent sections of this Report on Cost Projections and Implementation.

Recommendations

The Review recommends:

- that a pupil block grant be provided, with eligible enrolment weighted for declining enrolment, teacher experience and qualifications, northern adjustment and economies of scale.
- that the size of the block grant be determined by the following calculation:

90% of all school divisions' net operating expenditures
minus
total of categorical grants
minus
total of operating costs of the Public Schools Finance Board
divided by
provincial total weighted enrolment

Pilot Projects

As indicated in various sections of the Report, the Review is recommending a number of pilot projects, primarily with a view to evaluate and to cost existing programs, and to consider alternative programs and their costs. With a knowledge of program costs, the Department could be in a position to consider program funding, not necessarily as a total funding concept, but as an alternative to some existing categorical grants, or as a replacement for grants based on added costs.

Studies on projects recommended have been in relation to:

- specific areas of special needs, i.e., occupational entrance program or program for trainable mentally handicapped children
- specific areas of compensatory funding, i.e., nutrition program; migrancy program
- Français, Immersion and Basic French added costs
- Heritage Language and Bilingual Program added costs
- small schools - full program costs
- distance education
- non-resident and residual costs
- development of an Education Price Index

Certainly, additional studies could be identified. As the Minister has indicated in her terms of reference for the Review, "there is a need to consider the cost of providing an adequate program, regardless of numbers of students ..."⁷²

To a large degree, funding to assist in these studies is included in 1983/84 budgets for FRAME and for the Education Finance Review.

⁷²"Education Finance Review," p. 5.

Institutional Programs

The Review's mandate reads, in part, "The cost of the educational component of many Manitoba institutions has not been a charge against education per se. Responsibility and policy with relation to community services, correctional and health institutions requires clarification."⁷³

In fact, the clarification has occurred prior to the Review's completion of its task. The Department of Education, through school divisions, is gradually assuming responsibility for the educational component of institutions and semi-institutions. For example, the educational program in Knowles School is directly under the administration of River East School Division, and the division receives funding for Knowles School students in the same manner in which it receives grants for students in all other schools. By January 1, 1984, it is expected that the only educational programs within institutions for which the Department is assuming full costs will be those located in hospitals.

Special Revenue Schools

The Review has studied carefully input received from boards, administration and teachers working in or with special revenue schools. Essentially, they request additional provincial funding to keep pace with expansion in federal (or company) contributions.

The level of financial support to Department of National Defence schools, e.g., Shilo, was established approximately 30 years ago at \$1000 per year per elementary teacher and \$1250 per year per secondary teacher. This support has remained unchanged since first introduced, and no additional funding is currently provided.

⁷³Ibid., p. 6.

The level of provincial support to the Whiteshell School District, in which Atomic Energy of Canada is located, includes:

- \$2500 per authorized teacher, with an additional \$1250 per authorized secondary teacher. (This support has remained unchanged since 1968).
- a print and non-print grant of \$30.00 per pupil
- funds to purchase clinician services from Agassiz School Division

These two examples indicate the somewhat limited and static nature of provincial contributions. They also reflect the fact that funding provided to special revenue schools or school districts is not uniform.⁷⁴

The Review feels two particular concerns in addressing the funding of special revenue schools:

- No "formula" is suitable for all special revenue schools.⁷⁵ It would appear necessary to deal with each separately.
- If provincial funding increases, will federal funding simply decrease by the same amount? At a time when federal contributions to Manitoba through transfer payments are not expanding,

⁷⁴On the other hand, taxation for education varies amongst special revenue districts. Residents in both Shilo and Whiteshell do not contribute to the provincial property tax, the Education Support Levy. However, Whiteshell homeowners contribute to a local levy while Shilo residents, who do not own their own homes, pay no special levy. Whiteshell residents receive from the Province a rebate of 50% of the local school taxes paid, to a maximum of \$50 per homeowner. Residents of both districts, of course, contribute to the "consolidated revenues" of the Province.

⁷⁵Special revenue school districts include Camp Shilo, Harold Edwards, Pine Falls, Pineimuta, Pointe du Bois, and Whiteshell.

should the province "permit" a reduction in federal funding at local levels?

While the Review is not anxious to avoid its responsibility for making recommendations in this area, it feels that still more study is required. There is need for further dialogue with other departments of the provincial and federal governments.

Recommendations

The Review recommends:

- *that a further study of funding of special revenue schools be undertaken by the Administration and Finance Division of the Department of Education, with a report to the Minister to be forthcoming by December 31, 1983.*

Private Schools

At the present time, Manitoba's private schools receive a pupil grant of \$480.00, and a print and non-print grant of \$30.00 per pupil, totalling \$510.00 per pupil. The Education Finance Review received a presentation from the Federation of Independent Schools⁷⁶ calling for funding of private schools at 80% of the level of funding to public

⁷⁶The Federation presentation was supported by numerous individual responses mailed to the Review. The only other private school submission, presented by Christian School Consultants, Inc. advocated a voucher system of grants. Two presentations asked for withdrawal of all support to private schools.

schools⁷⁷ under the Education Support Program. In 1983, 80% of public school support would amount to approximately \$1950 per pupil.

The Review does not wish to become involved in the "issue" of aid to private schools. It accepts the fact that a decision has been made⁷⁸ to provide financial assistance to private schools, that there have been few suggestions that aid be withdrawn, and that the concerns are now primarily those of "how much?" and "on what basis?".

In seeking to respond to these two questions, the Review is aware of the following relevant considerations:

- a) Private schools in all provinces except Manitoba and British Columbia do not include separate (largely Roman Catholic) schools. In those other provinces, separate schools receive funding at the same level as public schools.
- b) In British Columbia, independent schools grants are based on 30% of public school division costs. In 1982, this amounted to approximately \$800.00 per pupil.
- c) In Saskatchewan, for the first time, the average per pupil grant received by public and separate schools in 1983 will be applied to independent schools.

⁷⁷More specifically, the Federation proposed that effective January 1, 1984, independent schools receive "an agreed service per pupil grant of \$1400.00 ... which would be increased annually by a reasonable percentage of 5% to 10% to a plateau of 80% of the Provincial Education Support grant to the public system ... (adjusted) for the increased annual costs because of inflation...."

⁷⁸A direct grant of \$435.00 per pupil was first paid to private schools in 1981, with the amount increased to \$480 in 1983. Prior to 1981, funding was provided to independent schools through public school divisions and shared services agreements.

- d) The Alberta Government has just announced a full-scale review of aid to private schools. In 1982, the grant paid to independent schools was based on 75% of the School Foundation Fund grant paid to public schools.
- e) In 1983 in Manitoba, the 1982 grant to private schools of \$435.00 per pupil was increased by the Consumers' Price Index of 10.2 to \$480.00.
- f) To be eligible for the current grant, Manitoba's private schools must hire qualified teachers and must provide the Manitoba program of studies. A private schools liaison officer of the Department of Education must attest to the private school's eligibility for grants.⁷⁹

The Review is of the opinion that there are categorical grants necessary for public schools for which private schools may not be eligible, or are eligible to a lesser degree, because of the less diverse nature of the private school student population. Such grants could include, as examples, special needs, compensatory, vocational and English as a second language grants. Further, private school transportation costs may be much greater than those related to public schools since there is not usually a local school. Private schools, also, may receive funding directly from federal sources for French language programming. Therefore, the Review is recommending funding to private schools only in relation to the block grant and the curricula materials grant. Private schools, if they so wish, should make arrangements directly with school divisions for "purchase" of clinician services, or life skills instruction, or transportation, without Departmental involvement.

Funding to private schools should be over and above the Government's funding of public schools. If the Province is assuming a fixed percentage of public school approved expenditures, money made available to private schools will not reduce the funds available to the public schools.

⁷⁹There are currently a number of private schools not receiving any provincial funding.

Recommendations

The Review recommends:

- that funding to private schools be primarily on the basis of a percentage of the block grant paid to public school districts and divisions, and
- that private schools be eligible also for the curricula materials grant.

Cost Projections

The research section of the Finance Branch has engaged in a number of modelling exercises, initially to project costs of the proposed new finance scheme had it been in effect in 1983 rather than the Education Support Program. Additional exercises to project into 1984 were subsequently undertaken, and further refinement of 1984 cost projections is currently underway.⁸⁰

In relation to 90% support, two proposals are presented here. Each proposal includes categorical, block and equalization support.

Proposal I: 90% support of 1983 provincial "net operating expenditures."

Proposal II: 90% support of 1984 provincial "supportable expenditures."

⁸⁰The research section is also modelling a variety of possibilities for partial implementation of the new proposals. Reference will be made to this research in the next section of the Report.

Before detailing the calculations for each proposal, some definition of terms is necessary.

The term "supportable expenditures" requires a particular explanation. When the first 1984 cost projections were undertaken, the Review had in mind its mandate to consider management of expenditure growth, and its own statements earlier in the Report:

"The Review is of the opinion that the Department should not have to impose limits on expenditures by school boards.... However, there may need to be some control over grants; the Province cannot promise 90% funding of limitless spending."⁸¹

By seeking to provide 90% support of 1984 projected provincial "net operating expenditures," the government contribution could increase somewhat disproportionately to school division expenditure growth. It was felt necessary to limit expenditures considered eligible for support, without limiting divisions' actual expenditures. Accordingly, new 1984 projections were calculated on the basis of "supportable expenditures" (Proposal II).

Definitions and Explanations (Proposal I)

Net Operating Expenditure

Net operating expenditure is the total operating expenditure less revenues from the Government of Canada, other school boards, individuals, Indian Bands, other sources, and certain revenues from the Manitoba Government which will continue to be funded by other branches of the Department of Education or other Departments of the Provincial Government.

⁸¹See discussion on page 63 of the Report.

Operating Support Available

Amount of operating support available is determined as being 90% of the current year's provincial net operating expenditure. This amount includes the categorical, block and equalization grants.

Categorical Grants

Grants are provided to school divisions/districts in the following categories:

- special needs
- compensatory
- vocational
- English as a second language
- French, including conversational, basic, immersion and français
- heritage languages, including basic and bilingual programs
- curricula materials, including print, non-print and library
- continuing education, including evening school and adult E.S.L.
- small schools
- transportation
- capital⁸²
- other, such as tuition fees, Manitoba Exchange, Multiculturalism, etc.

The total of these separate grants is referred to in the calculation as Categorical Grants.

⁸²The recently adopted formula for funding expenditures which were formerly termed "capital from current revenues" expenditures results in an "operating capital" categorical grant. However, the Department's computer program continues to accommodate such data under capital expenditures. Thus, the \$5 million allocated to the "operating capital" grant is not included in the total of categorical grants in subsequent calculations.

Block Grant

The block grant rate is determined by subtracting from the operating support available, the total of all categorical grants and the cost of administration of The Public Schools Finance Board, and dividing the result by the weighted enrolment.

The block grant for each division is the block grant rate multiplied by the weighted enrolment for the division.

Equalization Grant

Equalization Support for each division is the amount required to ensure that the amount raised by one mill on the balanced assessment per pupil in that division is equal to the amount raised by one mill by the division or district with the highest balanced assessment per pupil in the province.

Eligible Enrolment

The eligible enrolment for any division is the enrolment on the preceding September 30, less: 100% of Nursery enrolment

50% of Kindergarten enrolment

any pupil enrolled for whom the cost of education is not the responsibility of the school division.

Weighted Enrolment

The weighted enrolment is the eligible enrolment with weightings provided for the following conditions:

declining enrolment
divisions lying wholly above the 53rd parallel
economies of scale
years of experience of teachers
classification of teachers

Limitation

In order to reach a 90% support figure provincially, including equalization payments, the total of the categorical and block grants for any district or division may not exceed 81.5% of that division's net operating expenditure for the current year. Any reduction necessary is deemed to be a reduction in the block grant.

Calculations for Proposal I: 90% support of 1983 provincial net operating expenditures.

The cost calculations for proposal I follow on pages 137 to 144. The attention of the reader is drawn to the following:

- Calculations on page 137 indicate:
 - a 1983 operating expenditure of \$645,634,968 as reported by school divisions in final budget submissions;
 - an amount of \$545,426,861 as the Government's share to cover 90% of provincial net operating expenditures;

- an eligible enrolment of 185,608 pupils, based on enrolments in public schools and institutions on September 30, 1982;
 - a weighted enrolment, after calculations for declining enrolment, etc., of 193,485;⁸³
 - a total of categorical grants (plus administrative costs of the Public Schools Finance Board) of \$108,364,053;⁸⁴ which when subtracted from \$545,426,861 leaves
 - a total for the block grant of \$437,062,808, which when divided by the weighted enrolment results in a
 - block grant of \$2259 per pupil.
- Calculations on pages 138 to 141 indicate for each Manitoba school division and district:
- the categorical⁸⁵ and block grants;
 - whether or not the 81.5% of net operating expenditures is a limitation on eligibility for funding, and hence the eligible grants;
 - the procedures to determine the equalization grant, based on a balanced assessment per pupil in Leaf Rapids of \$28,666;
 - the total support (categorical, block and equalization grants);

⁸³Calculations to determine weighted enrolments are dealt with on pages 121 - 122 of the Report.

⁸⁴Of the \$108,364,053 allotted for categorical grants, \$100,020,365 have been assigned to school divisions. A reserve of \$8,343,688 is maintained to allow for subsequent assignment: low incidence III funding; E.S.L. for native students funding, etc.

⁸⁵Calculations of each categorical grant, for all districts and divisions, may be found in Appendix I.

- the amount of operating expenditures remaining, to be raised by special levy;
 - the addition of capital to special levy;
 - the addition of surplus or deficit assumption monies, as actually implemented this year;
 - a final special levy and special levy mill rate.
- Calculations on pages 143 and 144 indicate for each Manitoba school division and district:
- the actual 1983 special levy mill rate under the Education Support Program;
 - the projected 1983 special levy mill rate⁸⁶ had Proposal I been in effect;
 - the projected decrease in special levy mill rate had Proposal I been in effect;
 - the actual 1983 percentage of government support under the Education Support Program;
 - the projected percentage of government support had Proposal I been in effect.
 - the total dollar support in 1983 under the Education Support Program and Other Support;
 - the projected dollar support in 1983 had Proposal I been in effect;
 - the increase in dollar support, and the percentage increase had Proposal I been in effect.

⁸⁶Because of low assessment, Frontier School Division and Gypsumville School District have received special government grants and have had mill rates fixed by the government. For the purposes of these calculations, Frontier and Gypsumville mill rates have been set at 25 mills. (See "Support Adjustment" calculations on page 140.)

GOVERNMENT SUPPORT TO EDUCATION

CALCULATION OF AVAILABLE FUNDS:

1983 OPERATING EXPENDITURES		645634968
LESS REVENUE:		
MANITOBA GOVERNMENT	9545805	
GOVERNMENT OF CANADA	10914680	
OTHER SCHOOL BOARDS	5876775	
INDIVIDUALS	5682868	
OPTED OUT BANDS	6141621	
OTHER SOURCES	1443374	39605123
NET OPERATING EXPENDITURE		606029845
90% OF NET OPERATING EXPENDITURE		545426861

CALCULATION OF WEIGHTED ENROLLMENT:

1983 ELIGIBLE ENROLLMENT		185558
ADD: INSTITUTIONAL STUDENTS		50
		185608
ADD: WEIGHTS		
DECLINING ENROLLMENT	2953	
NORTHERN ALLOWANCE	483	
ECONOMIES OF SCALE	1492	
TEACHERS' YEARS OF EXPERIENCE	1592	
TEACHERS' SALARY CLASS	1357	7877
1983 WEIGHTED ENROLLMENT		193485

AVAILABLE FOR GRANTS & EQUALIZATION:

ALLOCATED FOR CATEGORICAL GRANTS	107641806
ALLOCATED FOR PSFB	722247
TOTAL ALLOCATED	108364053
LESS: CALCULATED CATEGORICAL GRANTS	100020365
RESERVED	8343688
90% OF 1983 NET OPERATING EXPENDITURE	545426861
LESS: RESERVED	8343688
AVAILABLE FOR GRANTS & EQUALIZATION	537083173

CALCULATION OF BLOCK GRANT PER PUPIL:

90% OF NET OPERATING EXPENDITURE	545426861
LESS: ALLOCATED FOR CATEGORICAL GRANTS & PSFB	108364053
AVAILABLE FOR BLOCK GRANT	437062808
BLOCK GRANT PER PUPIL	2259

DIVISION NUMBER	TOTAL CATEGORICAL GRANTS	1983 WEIGHTED ENROLLMENT	BLOCK GRANT @ \$2259	TOTAL CATEGORICAL & BLOCK GRANTS	81.5% 1983 NET OPERATING EXPENDITURE
1	23884972	32433	73266147	97151119	96954886
2	4590820	14446	32633514	37224334	33974891
3	1642428	5702	12880818	14523246	14572124
4	2746858	7340	16581060	19327918	17486567
5	1821550	6126	13838634	15660184	16605385
6	2645789	7142	16133778	18779567	18163207
8	799447	1705	3851956	4651403	4644975
9	4922230	12854	29036057	33958287	32195784
10	3389446	7567	17093853	20483299	19913073
11	2520078	4983	11256597	13776675	11693511
12	3198261	7954	17968086	21166347	19936101
13	1732456	2968	6704712	8437168	7073779
14	2403067	3994	9022446	11425513	9813158
15	2302547	4844	10942596	13245143	10143162
16	824798	1096	2476587	3301385	2837987
17	992502	1313	2966067	3958569	3416641
18	769087	1434	3239406	4008493	3263733
19	983672	1602	3618014	4601686	4328500
20	717786	1279	2889261	3607047	3205336
21	1613064	3180	7183620	8796684	7358886
22	1061952	2142	4838778	5900730	5145412
23	1374297	1998	4512578	5886875	4426123
24	1515377	3486	7873745	9389122	9026296
25	910273	1852	4182539	5092812	4456520
26	879045	2170	4902143	5781188	4719679
27	629775	939	2121201	2750976	2651741
28	1010774	1435	3242588	4253162	3835366
29	958231	1565	3535335	4493566	3837288
30	993606	1722	3889998	4883604	4014538
31	1067560	1991	4497669	5565229	4615273
32	1182005	1843	4163337	5345342	4104763
33	1375336	2604	5881532	7256868	5538786
34	810289	1274	2878327	3688616	3011242
35	1572308	2398	5416901	6989209	5845364
36	1143383	1928	4354787	5498170	4399703
37	918601	1600	3614400	4533001	3488756
38	1053890	1626	3672773	4726663	3806391
39	1367540	2335	5274765	6642305	5632682
40	2690303	7347	16596873	19287176	15191763
41	1294957	2071	4677576	5972533	5212241
42	866508	1243	2807937	3674445	3280280
43	835445	1365	3083535	3918980	3345656
44	1030157	1745	3941955	4972112	4358053
45	1022730	2486	5615671	6638401	5515462
46	401547	1755	3964342	4365889	4604501
47	609336	1317	2975103	3584439	2964162
48	5087620	2856	6451704	11539324	12020957
2264	134050	363	819113	953163	982930
2309	148245	527	1190335	1338580	1424903
2312	113680	554	1251034	1364714	1313703
2355	1067595	3967	8961284	10028879	11071081
2439	141605	262	592694	734299	639694
2460	143473	665	1502235	1645708	1525575
2461	108014	95	214605	322619	280613
PROVINCE	100020365	193485	437082400	537102765	493869183

DIVISION NUMBER	SPECIAL ELIGIBLE LEVY FOR GRANTS EQUALIZATION		EQUALIZATION BALANCED OF SPECIAL ASSESSMENT LEVY PER PUPIL BAPP/28666 *		EQUALIZED SUPPORT
1	96954886	22008164	24534	0.14	3172320
2	33974891	7712092	20506	0.28	2195307
3	14523246	3356661	17563	0.39	1300112
4	17486567	3969344	14801	0.48	1919868
5	15660184	4714521	26172	0.09	410173
6	18163207	4122937	15625	0.45	1875644
8	4644975	1054381	24460	0.15	154703
9	32195784	7308245	13869	0.52	3772417
10	19913073	4520145	15283	0.47	2110274
11	11693511	2654355	13753	0.52	1380883
12	19936101	4525373	13406	0.53	2409028
13	7073779	1605704	14350	0.50	801900
14	9813158	2227527	10691	0.63	1396769
15	10143162	2302436	9273	0.68	1557634
16	2837987	644206	16625	0.42	270595
17	3416641	775557	15694	0.45	350957
18	3263733	740847	16322	0.43	319020
19	4328500	982543	23287	0.19	184268
20	3205336	727591	13487	0.53	385269
21	7358886	1670422	12733	0.56	928446
22	5145412	1167977	16961	0.41	476912
23	4426123	1004703	8561	0.70	704652
24	9026296	2048914	19240	0.33	673727
25	4456520	1011603	22458	0.22	219076
26	4719679	1071338	14646	0.49	523971
27	2651741	601929	22775	0.21	123699
28	3835366	870605	13114	0.54	472324
29	3837288	871041	18398	0.36	312002
30	4014538	911276	13374	0.53	486124
31	4615273	1047639	17439	0.39	410306
32	4104763	931756	8614	0.70	651768
33	5538786	1257271	16420	0.43	537101
34	3011242	683533	8880	0.69	171792
35	5845364	1326862	16338	0.43	570626
36	4399703	998705	14688	0.49	486985
37	3488756	791926	18465	0.36	281813
38	3806391	864027	21919	0.24	203363
39	5632682	1278584	19904	0.31	390810
40	15191763	3448437	18396	0.36	1235451
41	5212241	1183147	20208	0.30	349091
42	3280280	744604	21455	0.25	187307
43	3345656	759443	20996	0.27	203200
44	4358053	989251	20899	0.27	268036
45	5515462	1251976	10126	0.65	809727
46	4365889	1283805	9773	0.66	846122
47	2964162	672846	17827	0.38	254412
48	11539324	3210317	4151	0.86	2745445
2264	953163	252886	20722	0.28	70080
2309	1338580	409767	6759	0.76	313150
2312	1313703	298203	5666	0.80	239261
2355	10028879	3555270	8081	0.72	2553055
2439	639694	145207	11047	0.61	89248
2460	1525575	346296	28666 *	0.00	0
2461	280613	63697	12709	0.56	35457
PROVINCE	490996567	114977891			45091759

DIVISION NUMBER	ELIGIBLE GRANTS & EQUALIZED SUPPORT	SUPPORT ADJUSTMENT	TOTAL SUPPORT
1	100127206		100127206
2	36170198		36170198
3	15823358		15823358
4	19406436		19406436
5	16070357		16070357
6	20038852		20038852
8	4799678		4799678
9	35968201		35968201
10	22023346		22023346
11	13074394		13074394
12	22345129		22345129
13	7875679		7875679
14	11209928		11209928
15	11700796		11700796
16	3108582		3108582
17	3767598		3767598
18	3382752		3382752
19	4512868		4512868
20	3590604		3590604
21	8287332		8287332
22	5622324		5622324
23	5130775		5130775
24	9700023		9700023
25	4675596		4675596
26	5243650		5243650
27	2775440		2775440
28	4307690		4307690
29	4149290		4149290
30	4500662		4500662
31	5025580		5025580
32	4756531		4756531
33	6075887		6075887
34	3483034		3483034
35	6415990		6415990
36	4886687		4886687
37	3770568		3770568
38	4009753		4009753
39	6023492		6023492
40	16427214		16427214
41	5561333		5561333
42	3467587		3467587
43	3548856		3548856
44	4626089		4626089
45	6325189		6325189
46	5212011		5212011
47	3218574		3218574
48	14284769	615291	14900060
2264	1023244		1023244
2309	1651730		1651730
2312	1552965		1552965
2355	12581911		12581911
2439	728942		728942
2460	1525575		1525575
2461	316070	2024	318093
PROVINCE	536088326	617314	536705640

DIVISION NUMBER	OPERATING SPECIAL LEVY	CAPITAL TO SPECIAL LEVY	SPECIAL LEVY BEFORE SURPLUS/ (DEFICIT)	BALANCED ASSESSMENT	MILL RATE BEFORE SURPLUS/ (DEFICIT)
1	18835844	1749450	20585294	735852070	26.19
2	5516785	174224	5691009	270141710	21.07
3	2056549	380730	2437279	99969460	24.38
4	2049475	287750	2337225	98681110	23.68
5	4304348	396792	4701140	158891860	29.59
6	2247292	170650	2417942	112931820	21.41
8	899678		899678	37093870	24.25
9	3535828	2500	3538328	175930130	20.11
10	2409872	241200	2651072	116835110	22.69
11	1273472		1273472	67416390	18.89
12	2116345	39723	2156068	106042200	20.33
13	803804		803804	40889440	19.66
14	830757	10000	840757	42143840	19.95
15	744802	137916	882718	44848150	19.68
16	373611		373611	16550140	22.57
17	424600		424600	19185430	22.13
18	421828	12000	433828	22254400	19.49
19	798175	4000	802175	34406250	23.31
20	342323		342323	15679210	21.83
21	741976	6880	748856	38811330	19.29
22	691065		691065	32582980	21.21
23	300051		300051	16094170	18.64
24	1375187	73877	1449064	65234870	22.21
25	792527	3516	796043	39863000	19.97
26	547367		547367	31159990	17.57
27	478230		478230	19620620	24.37
28	398281		398281	16824950	23.67
29	559039	4650	563689	26382660	21.37
30	425152	17105	442257	21151030	20.91
31	637332		637332	31581390	20.18
32	279988		279988	14558390	19.23
33	720170		720170	39901440	18.05
34	211741		211741	10247530	20.66
35	756236	57335	813571	36694760	22.17
36	511721		511721	26621200	19.22
37	510114	32000	542114	24539670	22.09
38	660665		660665	33065070	19.98
39	887774		887774	42505980	20.89
40	2212986		2212986	133416660	16.59
41	834055		834055	40051820	20.82
42	557297		557297	24920400	22.36
43	556343	106982	663225	26853420	24.70
44	721215	37700	758915	33855990	22.42
45	442249	116495	558744	23420700	23.86
46	437683		437683	15763300	27.77
47	418434	16680	435114	22471340	19.36
48	-150419	446774	296355	11855310	25.00
2264	182805		182805	6579160	27.79
2309	96617		96617	3129330	30.87
2312	58941	1233	60174	2492960	24.14
2355	1002238	437902	1440140	30453810	47.29
2439	55958		55958	2369660	23.61
2460	346296		346296	14189570	24.40
2461	26217		26217	1048460	25.00
PROVINCE	69268818	4966064	74234882	3226055510	23.01

DIVISION NUMBER	SURPLUS/ (DEFICIT)	SPECIAL LEVY AFTER SURPLUS/ (DEFICIT)	MILL RATE AFTER SURPLUS/ (DEFICIT)
1	4349	20380945	26.19
2	119702	5571307	20.62
3	297523	2139756	21.40
4	728886	1608339	16.30
5	482595	4218545	26.55
6	350579	2067363	18.31
8	190852	708826	19.11
9	800000	2738328	15.56
10	712800	1938272	16.59
11	-35	1273507	18.89
12	196	2155872	20.33
13		803804	19.66
14	22546	818211	19.41
15	-14967	897685	20.02
16	-872	374483	22.63
17		424600	22.13
18	-16099	456427	20.24
19	51	802124	23.31
20	-50000	392323	25.02
21	-8926	757782	19.52
22	-20000	711065	21.82
23	16604	283447	17.61
24	-100	1449164	22.21
25	-34381	830424	20.83
26	40797	506570	16.26
27	208	478022	24.36
28	123357	274724	16.33
29	4133	559556	21.21
30	17105	425152	20.10
31		637332	20.18
32	62394	217594	14.95
33	-3832	724002	18.14
34	-8291	220032	21.47
35		813571	22.17
36	-34637	546358	20.52
37	244934	297180	12.11
38	287	640378	19.97
39	500	887274	20.87
40	81742	2131244	15.97
41		834055	20.82
42		557297	22.36
43	-15290	678515	25.27
44	18462	740453	21.87
45	-29067	587811	25.10
46	-109298	546981	34.70
47	-11233	446347	19.86
48	38	296317	24.99
2264	146912	35893	5.46
2309	-2900	99517	31.80
2312		60174	24.14
2355	150000	1290140	42.36
2439	-17977	73935	31.20
2460	60000	286296	20.18
2461		26217	25.00
PROVINCE	4299347	6993555	21.68

SPECIAL LEVY MILL RATES AFTER
SURPLUS/(DEFICIT)

TOTAL OPERATING SUPPORT
AS A % OF NET
OPERATING EXPENDITURE

DIVISION NUMBER	1983	PROPOSAL I	INCREASE/ (DECREASE)	1983	PROPOSAL I
1	38.80	26.19	-12.61	75.81	84.17
2	35.70	20.62	-15.08	76.98	86.77
3	39.80	21.40	-18.40	78.23	88.50
4	43.30	16.30	-27.00	78.05	90.45
5	33.20	26.55	-6.65	73.66	78.87
6	39.30	18.31	-20.99	79.26	89.92
8	35.60	19.11	-16.49	73.47	84.21
9	41.60	15.56	-26.04	79.45	91.05
10	38.40	16.59	-21.81	79.72	90.14
11	32.40	18.89	-13.51	84.78	91.12
12	45.20	20.33	-24.87	80.56	91.35
13	37.30	19.66	-17.64	82.44	90.74
14	42.90	19.41	-23.49	84.87	93.10
15	35.80	20.02	-15.78	88.33	94.02
16	46.20	22.63	-23.57	78.05	89.27
17	38.20	22.13	-16.07	82.59	89.87
18	28.40	20.24	-8.16	84.92	89.47
19	37.80	23.31	-14.49	78.60	84.97
20	60.40	25.02	-35.38	77.32	91.30
21	40.60	19.52	-21.08	82.73	91.78
22	39.80	21.82	-17.98	79.79	89.05
23	41.50	17.61	-23.89	87.38	94.48
24	41.90	22.21	-19.69	75.98	87.58
25	25.10	20.83	-4.27	82.39	85.51
26	29.60	16.26	-13.34	83.35	90.55
27	41.90	24.36	-17.54	74.73	85.30
28	62.40	16.33	-46.07	75.06	91.54
29	37.50	21.21	-16.29	78.98	88.13
30	44.40	20.10	-24.30	80.94	91.37
31	32.10	20.18	-11.92	82.11	88.75
32	49.60	14.95	-34.65	84.43	94.44
33	22.40	18.14	-4.26	86.93	89.40
34	58.60	21.47	-37.13	83.97	94.27
35	38.40	22.17	-16.23	81.18	89.46
36	32.00	20.52	-11.48	84.86	90.52
37	32.60	12.11	-20.49	76.34	88.08
38	25.20	19.97	-5.23	82.16	85.85
39	35.70	20.87	-14.83	78.03	87.15
40	19.80	15.97	-3.83	85.39	88.13
41	36.60	20.82	-15.78	77.08	86.96
42	35.40	22.36	-13.04	78.09	86.15
43	31.40	25.27	-6.13	82.45	86.45
44	36.50	21.87	-14.63	77.24	86.51
45	42.30	25.10	-17.20	87.50	93.47
46	84.10	34.70	-49.40	78.46	92.25
47	31.50	19.86	-11.64	81.71	88.50
48	35.00	24.99	-10.01	100.22	101.02
2264	30.40	5.46	-24.94	71.24	84.84
2309	151.10	31.80	-119.30	73.12	94.47
2312	129.60	24.14	-105.46	80.04	96.34
2355	110.10	42.36	-67.74	77.43	92.62
2439	48.70	31.20	-17.50	87.58	92.87
2460	24.40	20.18	-4.22	78.29	81.50
2461	40.00	25.00	-15.00	159.71	92.39
PROVINCE	40.50	21.68	-18.82	79.76 (1)	88.57 (2)

(1) BECOMES 80.87% WITH THE INCLUSION OF P.S.F.B. AND RESERVED

(2) BECOMES 89.94% WITH THE INCLUSION OF P.S.F.B. AND RESERVED

TOTAL OPERATING SUPPORT

DIVISION NUMBER	1983 BUDGET	PROPOSAL 1	INCREASE/ (DECREASE) AMOUNT	%
1	90182901	100127206	9944305	11.03
2	32092289	36170198	4077909	12.71
3	13987757	15823358	1835601	13.12
4	16746775	19406436	2659661	15.88
5	15007980	16070357	1062377	7.08
6	17664796	20038852	2374056	13.44
8	4187570	4799678	612108	14.62
9	31385255	35968201	4582946	14.60
10	19478644	22023346	2544702	13.06
11	12164613	13074394	909781	7.48
12	19707029	22345129	2638100	13.39
13	7155519	7875679	720160	10.06
14	10219028	11209928	990900	9.70
15	10993481	11700796	707315	6.43
16	2717853	3108582	390729	14.38
17	3458493	3767598	309105	8.94
18	3400942	3582752	181810	5.35
19	4014992	4512868	497876	12.40
20	3035927	3590604	554677	18.27
21	7469867	8287332	817465	10.94
22	5037629	5622324	584695	11.61
23	4745544	5130775	385231	8.12
24	8414424	9700023	1285599	15.28
25	4505459	4675596	170137	3.78
26	4826930	5243650	416720	8.63
27	2431468	2775440	343972	14.15
28	3532414	4307690	775276	21.95
29	3718833	4149290	430457	11.58
30	3986710	4500662	513952	12.89
31	4649859	5025580	375721	8.08
32	4252104	4756531	504427	11.86
33	5907551	6075887	168336	2.85
34	3102636	3485034	382398	12.26
35	5822236	6415990	593754	10.20
36	4581167	4886687	305520	6.67
37	3267748	3770568	502820	15.39
38	3837442	4009753	172311	4.49
39	5393120	6023492	630372	11.69
40	15916633	16427214	510581	3.21
41	4929505	5561333	631828	12.82
42	3142992	3467587	324595	10.33
43	3384725	3548856	164131	4.85
44	4130236	4626089	495853	12.01
45	5921502	6325189	403687	6.82
46	4432845	5212011	779166	17.58
47	2957291	3218574	261283	8.84
48	14781541	14900060	118519	0.80
2264	859137	1023244	164107	19.10
2307	1278402	1651730	373328	29.20
2312	1290156	1552965	262809	20.37
2355	10518803	12581911	2063108	19.61
2439	687386	728942	41556	6.05
2460	1465403	1525575	60172	4.11
2461	549907	318093	-231814	-42.16
PROVINCE	483331554	536705639	53374085	11.04
P.S.F.B.				
INTEREST	8300000	-	-8300000	-100.00
ADMIN	722247	722247	-	-
RESERVED	6030141	7621442	1591301	26.39
(1)				
TOTAL	498383942	545049318	46665386	9.36

(1) DIFFERENCE BETWEEN ESTIMATE AND BUDGETS

While conclusions are drawn more fully from summary statements to follow, it may be noted here that for provincial funding to increase from 80.87% to 89.94% of provincial net operating expenditures, at an additional cost of approximately \$47 million, there would be a decrease from a provincial average special levy rate of 40.5 mills to 21.68 mills, a reduction of 18.82 mills. The current range in special levy mill rates, from 19.8 to 151.1 mills, would be reduced to a range of 5.46 to 42.36 mills.

Definitions and Explanations (Proposal II)

Definitions and explanations are as provided for Proposal I, except as follows:

Supportable Expenditure

Supportable 1984 expenditure by division is the greater of:

- total net operating expenditure in 1983, plus estimated Winnipeg Consumers' Price Index for September 1983;
- total net operation cost per eligible pupil for 1983, plus estimated Winnipeg Consumers' Price Index for September, 1983, multiplied by the estimated 1984 eligible enrolment.

The supportable expenditure for the province is the total of the divisional amounts.

Operating Support Available

The amount of operating support available is determined as being 90% of the current year's provincial supportable expenditure. This amount includes the categorical, block and equalization grants.

Limitations

- In order to reach a 90% support figure provincially, including equalization payments, the total of the categorical and block grants for any district or division may not exceed 80.5% of the supportable expenditure. Any reduction necessary is deemed to be a reduction in the block grant.
- The special levy which is used for equalization purposes is calculated by subtracting from supportable expenditure the eligible support⁸⁷ -- the lesser of the total of eligible grants or 80.5% of supportable expenditure. Thus, equalization is provided for supportable expenditure, not net operating expenditure.

Calculations for Proposal II: 90% support of 1984 provincial supportable expenditure.

The cost calculations for proposal II follow on pages 148 to 151. The attention of the reader is drawn to the following:

- Calculations on page 148 indicate:
 - a 1984 supportable expenditure of \$648,123,431;
 - an amount of \$583,311,088 as the Government's share to cover 90% of provincial supportable expenditures;

⁸⁷Eligible support here incorporates the block grant, the categorical grants, the equalization grant, mining revenues, and Frontier and Gypsumville adjustments.

- an eligible enrolment of 185,246 pupils, based on projected enrolments for September 30, 1983;
 - a weighted enrolment, after calculations for declining enrolment, etc., of 191,603;
 - a total of categorical grants (plus administrative costs of the Public Schools Finance Board) of \$115,350,387;⁸⁸ which when subtracted from \$583,311,088 leaves
 - a total for the block grant of \$467,960,701, which when divided by the weighted enrolment results in
 - a block grant of \$2442 per pupil.
- Calculations on pages 149 to 152 indicate for each Manitoba school division and district:
- the categorical⁸⁹ and block grants;
 - whether or not the 80.5% of supportable expenditures is a limitation on eligibility for funding, and hence the eligible grants;
 - the procedures to determine the equalization grant, based on a balanced assessment per pupil in Leaf Rapids of \$30,112; and
 - the total support (categorical, block and equalization grants), under Proposal II;
 - the total dollar support in 1983 under the Education Support Program and Other Support;
 - the increase in dollar support, and the percentage increases, between 1983 (Education Support Program) and 1984 (Proposal II).

Were Proposal II implemented fully in 1984, there would be an increase in provincial dollars of \$84 million,⁹⁰ with school divisions averaging 17.54% in increased grants.

⁸⁸Note that \$14,829,378 of this amount are reserved, or unassigned to school divisions.

⁸⁹Calculations of each categorical grant, where applicable based on an assumed 6% increase in the Winnipeg Consumers' Price Index, for all districts and divisions, may be found in Appendix J.

⁹⁰Were the Education Support Program and Other Support to continue into 1984, with the government contribution from consolidated revenues continuing at 65% (and with 35% covered by the provincial levy), additional direct government contributions would amount to approximately \$30 million. (Information provided by the Public Schools Finance Board.)

GOVERNMENT SUPPORT TO EDUCATION

1984 SUPPORTABLE EXPENDITURES	648123431
90% OF 1984 SUPPORTABLE EXPENDITURES	583311088

CALCULATION OF WEIGHTED ENROLLMENT:

1984 ELIGIBLE ENROLLMENT	185246
ADD: WEIGHTS	
DECLINING ENROLLMENT	2154
NORTHERN ALLOWANCE	481
ECONOMIES OF SCALE	1533
TEACHERS' YEARS OF EXPERIENCE	1179
TEACHERS' SALARY CLASS	1010
	6357
1984 WEIGHTED ENROLLMENT	191603

AVAILABLE FOR GRANTS & EQUALIZATION:

ALLOCATED FOR CATEGORICAL GRANTS	114553142
ALLOCATED FOR PSFB	797245
TOTAL ALLOCATED	115350387
LESS: CALCULATED CATEGORICAL GRANTS	100521009
RESERVED	14829378
90% OF 1984 SUPPORTABLE EXPENDITURES	583311088
LESS: RESERVED	14829376
AVAILABLE FOR GRANTS & EQUALIZATION	568481710

CALCULATION OF BLOCK GRANT PER PUPIL:

90% OF 1984 SUPPORTABLE EXPENDITURES	583311088
LESS: ALLOCATED FOR CATEGORICAL GRANTS	114553142
ALLOCATED FOR PSFB	797245
AVAILABLE FOR BLOCK GRANT	467960701
BLOCK GRANT PER PUPIL	2442

DIVISION NUMBER	TOTAL CATEGORICAL GRANTS	1984 WEIGHTED ENROLLMENT	BLOCK GRANT \$ 62442	TOTAL CATEGORICAL & BLOCK GRANTS	80.5% 1984 SUPPORTABLE EXPENDITURE
1	24267851	32435	79206270	103474121	102774828
2	4718451	13881	33897402	38615853	35571503
3	1772826	5722	13973124	15745950	15326616
4	2558322	6995	17081790	19640112	18308329
5	1657076	6085	14859570	16516646	17385736
6	2761244	7207	17599494	20360738	19254560
8	758190	1627	3973134	4731324	4863260
9	5066141	12867	31421214	36487355	34110036
10	3412837	7790	19023180	22436017	21461905
11	2531492	4931	12041502	14572994	12243034
12	3290993	8029	19606818	22897811	21171161
13	1778634	2903	7089126	8867760	7406203
14	2414141	3999	9765558	12179699	10359023
15	2476104	4877	11909634	14385738	10708757
16	926463	1067	2605614	3532077	2971356
17	1116512	1288	3145296	4261808	3577203
18	811766	1430	3492060	4303826	3429639
19	1048947	1553	3792426	4841373	4531913
20	923000	1234	3013428	3936428	3355967
21	1625377	3121	7621482	9246859	7704708
22	1115466	2051	5008542	6124008	5387215
23	1428048	1945	4749690	6177738	4634124
24	1612867	3449	8422458	10035325	9564758
25	1011979	1826	4459092	5471071	4665949
26	898896	2199	5369958	6268854	5007671
27	714208	910	2222220	2936428	2776556
28	1231822	1373	3352866	4584688	4015605
29	1069313	1519	3709598	4778711	4017617
30	1118666	1673	4085466	5204132	4203197
31	1102893	1909	4661778	5764671	4832163
32	1397066	1783	4354086	5751152	4297662
33	1379579	2520	6153840	7533419	5799075
34	907956	1219	2976798	3884754	3152752
35	1557728	2319	5662998	7220726	6120061
36	1137514	1876	4581192	5718706	4606461
37	957012	1499	3660558	4617570	3652706
38	1159918	1593	3890106	5050024	3985268
39	1566242	2236	5460312	7026554	5897383
40	2781624	7321	17877882	20659506	15967090
41	1414090	2039	4979238	6393328	5464068
42	918251	1216	2969472	3887723	3438869
43	933565	1343	3279606	4213171	3519313
44	1134773	1717	4192914	5327687	4562854
45	1056637	2488	6075696	7132333	5797125
46	423070	1764	4307688	4730758	4820884
47	612576	1332	3252744	3865320	3153932
48	1966553	3121	7621482	9588035	13645708
2264	149165	366	893772	1042937	1053432
2309	125675	520	1269840	1395515	1491865
2312	113559	520	1269840	1383399	1375439
2355	1193270	3985	9731370	10924640	11671326
2439	148754	244	595848	744602	6669755
2460	198058	595	1452990	1651048	1397267
2461	67849	92	224664	292513	378675
PROVINCE	100521009	191603	467894526	568415535	521759562

DIVISION NUMBER	ELIGIBLE GRANTS	SPECIAL LEVY FOR EQUALIZATION	BALANCED ASSESSMENT PER PUPIL	EQUALIZATION OF SPECIAL LEVY BAPP/30112 *	EQUALIZED SUPPORT
1	102774828	24895766	24440	0.19	4689452
2	35571503	8616699	21813	0.28	2374800
3	15326616	3712658	18175	0.40	1471772
4	18308329	4434937	15503	0.49	2151654
5	16516646	5080541	26587	0.12	594743
6	19254560	4664148	16011	0.47	2184151
8	4731324	1309993	25240	0.16	211952
9	34110036	8262679	13951	0.54	4434550
10	21461905	5198846	15289	0.49	2559196
11	12243034	2965704	14036	0.53	1583311
12	21171161	5128418	13370	0.56	2851354
13	7406203	1794049	14801	0.51	912217
14	10359023	2509329	10858	0.64	1604497
15	10708757	2594047	9335	0.69	1789868
16	2971356	719769	17364	0.42	304716
17	3577203	866527	15941	0.47	407796
18	3429639	830782	16421	0.45	377731
19	4531913	1097793	23829	0.21	229059
20	3355967	812936	14445	0.52	422963
21	7704708	1866358	13281	0.56	1043194
22	5387215	1304977	17921	0.40	528527
23	4634124	1122552	8921	0.70	789984
24	9564758	2316929	19043	0.37	851690
25	4665949	1130261	23062	0.23	264625
26	5007671	1213038	14706	0.51	620619
27	2776356	672534	23306	0.23	152008
28	4015605	972724	15512	0.55	536239
29	4017617	973212	19006	0.37	358945
30	4203197	1018166	15827	0.54	550659
31	4832163	1170524	17937	0.40	475271
32	4297662	1041048	8851	0.71	735047
33	5799075	1404745	16868	0.44	617841
34	3152752	763710	9109	0.70	532685
35	6120061	1482499	16701	0.45	660262
36	4606461	1115851	15207	0.49	552530
37	3652706	884817	19490	0.35	312119
38	3985268	965375	22195	0.26	253815
39	5897383	1428559	20763	0.71	443551
40	15967090	3867805	18821	0.37	1450298
41	5464068	1323594	20226	0.33	434546
42	3438869	853018	21634	0.28	254555
43	3519313	852505	21173	0.30	253075
44	4562854	1105288	21327	0.29	322461
45	5797125	1404272	10219	0.66	927710
46	4730758	1257918	10172	0.66	852986
47	3153952	763996	17801	0.41	312552
48	9588035	7363155	3995	0.87	6386275
2264	1042937	265674	19729	0.34	91608
2309	1395515	457733	7420	0.75	344941
2312	1375439	333181	5771	0.81	269326
2355	10924640	3573902	7995	0.75	2625237
2439	669755	162239	12195	0.60	96534
2460	1597267	386916	30112 *	0.00	0
2461	292513	177891	12487	0.59	104123
PROVINCE	515650844	132472587			56118934

DIVISION NUMBER	ELIGIBLE GRANTS & EQUALIZED SUPPORT	SUPPORT ADJUSTMENT	TOTAL SUPPORT
1	107464280		107464280
2	37946303		37946303
3	16798388		16798388
4	20459963		20459963
5	17111389		17111389
6	21438711		21438711
8	4943276		4943276
9	38544585		38544585
10	24021100		24021100
11	13826345		13826345
12	24022515		24022515
13	8318420		8318420
14	11963520		11963520
15	12498625		12498625
16	3276072		3276072
17	3984999		3984999
18	3807370		3807370
19	4760973		4760973
20	3778930		3778930
21	8747903		8747903
22	5915541		5915541
23	5424108		5424108
24	10416448		10416448
25	4930572		4930572
26	5628289		5628289
27	2928364		2928364
28	4551844		4551844
29	4376560		4376560
30	4753836		4753836
31	5305434		5305434
32	5032708		5032708
33	6416917		6416917
34	3685437		3685437
35	6780322		6780322
36	5158791		5158791
37	3964825		3964825
38	4239083		4239083
39	6340914		6340914
40	17417389		17417389
41	5898614		5898614
42	3673404		3673404
43	3772387		3772387
44	4885316		4885316
45	6724834		6724834
46	5563744	840529	4923215
47	3466284		3466284
48	15974310	995194	14979116
2264	1134545		1134545
2309	1740456	300867	1439589
2312	1644765	119271	1525494
2355	13549677	1608445	11941432
2439	766289		766289
2460	1597267		1597267
2461	396635	18847	377788
PROVINCE	571769778	3683153	568086625

TOTAL OPERATING SUPPORT

DIVISION NUMBER	1983 BUDGET	PROPOSAL II	INCREASE/(DECREASE) AMOUNT	%
1	90182901	107464280	17281379	19.16
2	32092289	37946303	5854014	18.24
3	13987757	16798388	2810631	20.09
4	16746775	20459963	3713188	22.17
5	15007980	17111389	2103409	14.02
6	17664796	21438711	3773915	21.36
8	4187570	4943276	755706	18.05
9	31385235	38544585	7159350	22.81
10	19478644	24021100	4542456	23.32
11	12164613	13826345	1661732	13.66
12	19707029	24022515	4315486	21.90
13	7155519	8518420	1162901	16.25
14	10219028	11963520	1744492	17.07
15	10993481	12498625	1505144	13.69
16	2717853	3276072	558219	20.54
17	3458493	3984999	526506	15.22
18	3400942	3807370	406428	11.95
19	4014992	4760973	745981	18.58
20	3035927	3778930	743003	24.47
21	7469867	8747903	1278036	17.11
22	5037629	5915541	877912	17.43
23	4745544	5424108	678564	14.30
24	8414424	10416448	2002024	23.79
25	4505459	4930572	425113	9.44
26	4826930	5628289	801359	16.60
27	2431468	2928364	496896	20.44
28	3532414	4551844	1019430	28.86
29	3718833	4376560	657727	17.69
30	3986710	4753836	767126	19.24
31	4649859	5305434	655575	14.10
32	4252104	5032708	780604	18.36
33	5907656	6416917	509261	8.62
34	3102636	3685437	582801	18.78
35	5822236	6780322	958086	16.46
36	4581167	5158791	577624	12.61
37	3267748	3964825	697077	21.33
38	3837442	4239083	401641	10.47
39	5393120	6340914	947794	17.57
40	15916633	17417389	1500756	9.43
41	4929505	5898614	969109	19.66
42	3142992	3673404	530412	16.88
43	3384725	3772387	387662	11.45
44	4130236	4885316	755080	18.28
45	5921502	6724834	803332	13.57
46	4432845	4925215	490370	11.06
47	2957291	3466284	508993	17.21
48	14781541	14979116	197575	1.34
2264	659131	1134545	275408	32.06
2309	1278402	1439589	161187	12.61
2312	1290156	1525494	235338	18.24
2355	10518803	11941432	1422629	13.52
2439	687386	766289	78903	11.48
2460	1465403	1597267	131864	9.00
2461	549907	377788	-172119	-31.30
PROVINCE	483331554	568086623	84755069	17.54
P.S.F.B.				
INTEREST	8300000	-	-8300000	-100.00
ADMIN	722247	797245	74998	10.38
RESERVED	6030141	14032135	8001994	132.70
(1)				
TOTAL	498383942	582916003	84532061	16.96

(1) DIFFERENCE BETWEEN ESTIMATE AND BUDGETS

Summary Calculations

Summary calculations follow on pages 154 to 157. On page 154, the attention of the reader is drawn to the following:

- Had the recommendations of the Review been in effect in 1983, rather than the Education Support Program, the government contribution would have been \$545,049,328 rather than \$498,383,942, an increase of approximately \$47 million dollars. Government support of net operating expenditure would have amounted to 89.94%, rather than 80.87%.
- For government support of 89.94% of 1984 supportable expenditures, an additional contribution (over the 1983 Education Support Program contribution) of \$84 million would be necessary for full implementation of recommendations as of January 1, 1984.

Page 155 provides information on the total public schools support, including both operating and capital, under its existing program and each of the two proposals.

Page 156 provides a breakdown of the categorical support, and page 157 provides a breakdown of the non-categorical support, for each of the Education Support Program, proposal I (1983) and proposal II (1984). Page 157 also indicates a breakdown of capital support.

OPERATING SUPPORT AS A % OF SUPPORTABLE
EXPENDITURE / NET OPERATING EXPENDITURE

	EDUCATION SUPPORT PROGRAM & OTHER 1983	GOVERNMENT SUPPORT TO EDUCATION	
		PROPOSAL I	PROPOSAL II
OPERATING SUPPORT:			
CATEGORICAL	80543815	107641806	114553142
NON CATEGORICAL	408817880	436685275	467565616
PUBLIC SCHOOLS FINANCE BOARD:			
- INTEREST	8300000	-	-
- ADMINISTRATION	722247	722247	797245
TOTAL OPERATING SUPPORT	498383942	545049328	582916003
	=====	=====	=====
SUPPORTABLE EXPENDITURE	(1)	(1)	648123430
% OPERATING SUPPORT OF SUPPORTABLE EXPENDITURE	(1)	(1)	89.94
OPERATING EXPENDITURES:			
TOTAL OPERATING EXPENDITURES	645634968	645634968	
LESS: MANITOBA GOVERNMENT	9545805	9545805	
GOVERNMENT OF CANADA	3497612	30914680	
OTHER SCHOOL BOARDS	5876775	5876775	
INDIVIDUALS	5682868	5682868	(3)
OPTED OUT INDIAN BANDS	13558689	6141621	
OTHER SOURCES	1443374	1443374	
NET OPERATING EXPENDITURES	606029845	606029845	
	=====	=====	
% OPERATING SUPPORT OF NET OPERATING EXPENDITURE	80.87 (2)	89.94	
(1) NOT APPLICABLE			
(2) EXCLUDING INTEREST - PUBLIC SCHOOLS FINANCE BOARD			
(3) NOT AVAILABLE			

PUBLIC SCHOOLS SUPPORT

	EDUCATION SUPPORT PROGRAM & OTHER 1983	GOVERNMENT SUPPORT TO EDUCATION	
		PROPOSAL I	PROPOSAL II
OPERATING			
CATEGORICAL	80543815	107641806	114553142
NON-CATEGORICAL	408817880	434683275	467565616
PUBLIC SCHOOLS FINANCE BOARD			
INTEREST	8300000	-	-
ADMINISTRATION	722247	722247	797245
TOTAL OPERATING	498383942	545049328	582916003
CAPITAL	45463285	45463285	53358900
TOTAL APPLICABLE TO SCHOOL DIVISIONS	543847227	590512613	636274903
OTHER (EXCLUDING PRIVATE SCHOOLS)	2434900	2434900	3203288
TOTAL PUBLIC SCHOOLS SUPPORT (1)	546282127	592947513	639478191

(1) OF THE TOTAL SUPPORT UNDER THE EDUCATION SUPPORT PROGRAM OF \$546,282,127, AN AMOUNT OF \$180,314,163 WILL BE RAISED BY UNIFORM LEVIES OF 43.7 MILLS AND 81.7 MILLS.

OPERATING SUPPORT - CATEGORICAL

	EDUCATION SUPPORT PROGRAM & OTHER 1983		GOVERNMENT SUPPORT TO EDUCATION			
	DETAIL	TOTAL	PROPOSAL I		PROPOSAL II	
			DETAIL	TOTAL	DETAIL	TOTAL
SPECIAL NEEDS:						
COORDINATORS & CLINICIANS					8422018	
HIGH INCIDENCE					15042160	
LOW INCIDENCE I					8199312	
LOW INCIDENCE II					3672900	
LOW INCIDENCE III		30614623		31216350	699600	36036290
COMPENSATORY		2000000		13000000		13000000
VOCATIONAL		4658450		4692000		5456160
E.S.L. - IMMIGRANT	1210789		1268622			
- NATIVE	-	1210789	2050188	3310810		3971557
FRENCH: FRANCAIS						
- DEVELOPMENT	152792		-		-	
- MAINTENANCE	1125518		1713339		1743000	
IMMERSION						
- DEVELOPMENT	458763		-		-	
- MAINTENANCE	2107337		2814696		3374327	
BASIC	215700		116441		258700	
CONVERSATIONAL	302000	4562110	307730	4954426	313160	5689187
HERITAGE LANGUAGE:						
BILINGUAL PROGRAMS	-		112650		130425	
BASIC	-	-	126990	239640	151374	281799
PRINT, NON-PRINT	5556495		5568240		5557365	
LIBRARY	-		3712160		3704910	
CURRICULA MATERIALS	-	5556495	1056080	11136480	1052455	11114730
CONTINUING EDUCATION:						
E.S.L. ADULT	604850		604850		648139	
E.S.L. EVENING SCHOOL	338704	943554	338704	943554	393355	1041694
SMALL SCHOOLS		2000000		2000000		2000000
TRANSPORTATION		24595197		31760870		32000000
TRANSFERS (1)		2721		-		-
OTHER GRANTS:						
TUITION FEES - INDIAN (2)		858294		858294		-
NON RESIDENT (3)		157882		157882		163789
NAKITOBA EXCHANGE		100000		100000		100000
MULTI-CULTURALISM		100000		100000		100000
OTHER (4)		3183500		3183500		3397956
TOTAL CATEGORICAL GRANTS		80543815		107641806		114553142

(1) TERMINATED (2) FINAL PAYMENT (3) PRIMARILY KELSEY SCHOOL DIVISION 045

(4) INCLUDES. SPECIAL GRANTS, SPECIAL NEEDS, INSTITUTIONAL PROGRAMS, AND SACRE COEUR

OPERATING SUPPORT - NON-CATEGORICAL

	EDUCATION SUPPORT PROGRAM & OTHER 1983	GOVERNMENT SUPPORT TO EDUCATION	
		PROPOSAL I	PROPOSAL II
BLOCK	-	390976201	413129838
BASIC OPERATING	316243200	-	-
PUPIL	8386800	-	-
EXTRA-OPERATING	60868191	-	-
EQUALIZATION	8879696	43091739	56189934
ELIGIBLE EXPENDITURE SUPPLEMENT	7994925	-	-
SUPPORT BEFORE ADJUSTMENTS	402572812	436067960	471319772
SUPPORT ADJUSTMENTS	6243068	617315	-3683154
TOTAL NON-CATEGORICAL SUPPORT	408817880	436685275	467636616

CAPITAL SUPPORT

	EDUCATION SUPPORT PROGRAM & OTHER 1983	GOVERNMENT SUPPORT TO EDUCATION	
		PROPOSAL I	PROPOSAL II
DEBT SERVICING: PRINCIPAL INTEREST	12818845 20735290	12818845 20735290	34645084
BUSES	5389150	5389150	11713816
VOCATIONAL EQUIPMENT	1500000	1500000	1500000
FROM CURRENT REVENUE: FORMULA APPROVAL	3000000 2000000	3000000 2000000	3500000 2000000
TOTAL CAPITAL SUPPORT	45463285	45463285	50338900

Implementation

As indicated on several occasions earlier in the Report, the Review is concerned about the management of expenditure growth, and is aware of the current economic climate. While the Review supports strongly its recommendations, based on principles of equity, accountability and local autonomy, a phasing in of the new financing mechanism may be advisable.

The Finance Branch of the Department has modelled many alternatives to full implementation of the recommendations, and has the capacity to respond quickly to the Government's preferences. It is possible to consider, for example:

- funding at a percentage less than 90%;
- equalization based on a balanced assessment per pupil less than that of Leaf Rapids;
- deletion of one or more of the categorical grants;
- alterations in weights applied to enrolments;

and many others.

The Review would prefer an alteration in percentage of funding, or in extent of equalization, to elimination of categorical grants which are directly relevant to priorities set for the Review or are responsive to proposals made to the Review by many presentors.

It is also possible to consider retention of the Education Support Program until June, 1984, with implementation of new proposals to coincide with school opening for the 1984 fall term.

5.3 Governance

The third basic area which the Education Finance Review has been asked to address is "the most appropriate program delivery structure to enable equitable and economic distribution of resources."⁹¹ The prime source of input to the Review in the issue of governance came from the Manitoba Teachers' Society. Subsequent presentations were primarily in support of, or in opposition to, the Society's viewpoint.

The Manitoba Teachers' Society proposed implementation of a regional delivery of services. It expressed a concern that several small school divisions were not sufficiently viable on their own to provide adequate programming, to provide an "equality of educational opportunity" for all their students. For the Society, the establishment of regions could result in any number of new governance structures, including regional school boards replacing current school division boards, a two-tiered system with both regional and local boards, etc. In any event, large jurisdictions would facilitate "equitable and economic distribution of resources."

The Review received other recommendations suggesting jurisdictional changes. Some francophone citizens would welcome separate French boards in divisions in which there are heavy enrolments of Français students, or regional French boards, or a Frontier-type school division for Français programs. On the other hand, there is some feeling that Frontier School Division could be divided into two divisions, or further "democratized." Hutterian schools have indicated an interest in governing their own schools "outside" school divisions.

It is not the intention of the Review to dismiss this input by simply acknowledging it in two short paragraphs. The Teachers' Society, the Société Franco-Manitobaine, and other presentors have raised very real concerns and have suggested a variety of alternatives to meet those concerns. The Review does recognize the need for more study than it has been

⁹¹"Education Finance Review," p. 2.

able to give to the present structures for delivery of services to students. It is of the opinion that a separate review or task force should be established to examine school division boundaries and related issues of governance. The task force could be structured in much the same way as the Review has been established, and opportunity should be provided for public input.

At the present time, much more could be done to encourage cooperation among divisions. The new Regional Services Branch could provide assistance. During the course of the Review's hearings, there were several recommendations for increased Department consultative involvement at the local level in curriculum development and implementation, in professional development, etc. Recommendations made elsewhere in this Report could relate to regional cooperation: the change in hiring policies for clinicians, pilot projects on program costing, etc. Decentralization of the consultative services of the Department need not be considered as a threat to the local autonomy of school boards.

Recommendations

The Review recommends:

- *that a task force be established to examine school division boundaries and related issues of governance.*

5.4 Other Considerations

The Review would like to make some observations in areas perhaps peripheral to the prime considerations of the study.

Policy Statements

The terms of reference for the Review include the statement, "There is need for the Department of Education to provide clear definitions of the various French programs under its jurisdiction"⁹² The Review is aware that there are areas other than French in which clear definitions of programs are lacking. Certainly within the past year, some new policy statements have been developed: special needs, Basic French, small schools, school closures, computer technology. The Review would encourage further policy development in such areas as heritage languages and vocational education. There is also a need for a statement on the basic educational program to be accessible to all students.

The Public Schools Finance Board

Should the recommendation of the Review related to divorcing education from the property tax be accepted, the revenue-raising function of the Public Schools Finance Board would disappear. There would be need, then, to reassess its other functions. Monies could be paid to the Public Schools Finance Board from the Department of Finance for subsequent distribution to school boards, or the Department of Education could fund boards directly, eliminating the funds disbursement function of the Finance Board. Its role in the area of capital would then need to be redefined as well.

The Roles of the Secretary-Treasurer and Superintendent

In implementing any education finance plan, it is crucial that secretary-treasurers and superintendents understand the details of the

⁹²"Education Finance Review," p. 6.

grant mechanism, and also that they understand the objectives, the underlying principles, the whole purpose of education finance. There will need to be a good deal of in-service to provide an understanding of the plan.

The Chairman of the Review is of the opinion that implementation of an education finance program is best accomplished if a person of educational background serves the school division as chief executive officer.

Advisory Committee for Government Support for Education

The Review has profited by the existence of an Advisory Committee representative of the educational community. If this Report leads to new legislation, there would be a considerable advantage to the Minister and to her finance personnel to retain an Advisory Committee for Government Support for Education.

5.5 Summary of Recommendations

During the course of its deliberations on sources of funds for education, disbursement of funds to school districts and divisions, and on governance issues, the Education Finance Review has recommended:

1. Source of Funds

- 1) *that the property tax as a source of provincial revenue be disassociated with education.*
- 2) *that the revenue component of the responsibilities of the Public Schools Finance Board be discontinued.*
- 3) *that revenue functions of the government be centralized in the Department of Finance.*
- 4) *that, while room for movement within the tax field is limited, the Province seek to reduce reliance on the property tax by shifting taxation gradually over the next several years to less regressive taxes, and that, as a minimum, there be no increase in the provincial property tax in 1984.*
- 5) *that further study be undertaken to determine the feasibility and the effects of limiting the universal portion of the property tax credits, thereby increasing resources for the consolidated revenues of the Province, and providing an additional source for direct funding of school divisions.*
- 6) *that the Government move to implement those recommendations of the Report of the Manitoba Assessment Review Committee which will contribute to improved taxpayer equity -- classification system; market value assessment; portionment; elimination of exemptions; single assessment authority with annual assessments -- and in a manner such that major changes are phased in over a period of time.*

2. Disbursement of Funds

a) Basic Considerations

- 7) that the Province move towards funding 90% of the total of school board expenditures.
- 8) that the 90% coverage include equalization of special levies.
- 9) that monies be paid to school divisions by means of a number of categorical grants and a weighted pupil block grant.
- 10) that categorical grant payments be indexed according to the increase in the Winnipeg Consumers' Price Index or a provincially developed Education Price Index.
- 11) that monies be forwarded to school divisions on the following schedule:

April	- 40%	September	- 10%
May	- 10%	October	- 10%
June	- 10%	November	- 10%
		December	- 10%

and that grant payments be advanced in full, regardless of the surplus/deficit status of the division.

- 12) that pilot projects be undertaken to determine the feasibility of program funding.
- 13) that the Department of Education continue in the development of policy statements on programs considered essential for students in Manitoba's school system.

b) Categorical Grants

Special Needs

14) that special needs support be based primarily on 1983 support, with an annual adjustment determined by the increase in the Winnipeg Consumers' Price Index, or in an Education Price Index to be developed for the Province; i.e., that special needs support be the total of (a), (b), (c) and (d), but not exceeding the total expenditures for special needs:

(a) Coordinator and Clinician support based on the number of eligible units determined by dividing the eligible enrolment by 900 and adding one for any remainder, or the number of qualified personnel employed, whichever is the lesser, multiplied by:

\$34,100 for one coordinator and

\$31,000 for each remaining clinician.

(b) High incidence support based on the number of eligible units determined from the following schedule:

<u>Eligible Enrolment</u>	<u>Number of Eligible Units</u>
	Divide by 325 and add 1 for any remainder
Greater than 2275	
2275 or less but greater than 1800	7
1800 or less but greater than 1350	6
1350 or less but greater than 1050	5
1050 or less but greater than 750	4
750 or less but greater than 450	3
450 or less but greater than 300	2
300 or less but greater than 150	1
150 or less	0

or the number of qualified personnel employed, whichever is the lesser, multiplied by \$23,000. Personnel employed as special, resource, occupational entrance teachers or as teachers of the gifted are included.

- (c) Low incidence I support based on \$3,300 for each pupil who is trainable mentally handicapped, moderately multi handicapped, severely physically handicapped, severely hearing impaired, severely visually impaired, very severely learning disabled or very severely emotionally disturbed.
- (d) Low incidence II support based on \$6,600 for each pupil who is severely multi handicapped, severely psychotic, autistic or profoundly deaf.
- 15) that a low incidence III support, based on \$13,200 for each pupil who is severely multi-handicapped and whose program is viewed as highly costly by Department and Division personnel, be provided.
- 16) that pilot projects be undertaken to determine both full costs and additional costs of a variety of special needs programs: resource, gifted, trainable mentally handicapped, severely psychotic, etc. These studies should be under the administration of the Child Care and Finance branches of the Department, with an advisory committee representative of the wider educational community. Such studies could also produce policy statements - or provincial guidelines - to supplement the stance of the Province announced in the Minister's recent letter to school divisions.
- 17) that the Department discontinue the practice of hiring clinicians and assigning them to divisions.

Compensatory Education

- 18) that funding for compensatory education be provided on a province-wide basis in 1984 from a compensatory education fund of \$13 million.
- 19) that compensatory education funding be administered by the Child Care and Finance branches of the Department of Education, with assistance from an advisory committee to be established by the Minister of Education. The first requirements of this administrative group in the fall of 1983 will be:
 - to endorse criteria which can be used to determine eligibility for compensatory services.
 - to provide clear descriptions of the types of programs and services for which funds will be available, including those designed to deal with the disadvantage, as well as with the disadvantaged child.
 - to convene a provincial conference to acquaint Division personnel with compensatory education policies, eligibility criteria, and programming possibilities.
- 20) that the approach to funding compensatory education be evolutionary, with funds provided initially on an application basis, and later as categorical grants.
- 21) that school divisions apply for funding on the basis of school-level eligibility and school-level programming.
- 22) that compensatory education programs be cost shared between division and province, with the extent of provincial participation at the same level as is its share of basic funding.

- 23) that funding to Winnipeg School Division in 1984 be on the basis of programs in place, and funding to other divisions in the form of development grants for programs to be in place by September, 1984.
- 24) that, if funding priorities are necessary, those programs involving young children be given first priority.
- 25) that ongoing consultation services and monitoring be provided by the Department of Education.

Vocational

- 26) that Vocational Industrial support be based on the 1983 support of \$23,000 for each eligible unit, with an annual adjustment determined by the increase in the Winnipeg Consumers' Price Index, or on an Education Price Index to be developed for the Province.
- 27) that the number of eligible units for a school division with an average of 40 pupils or more per vocational course be determined by dividing the number of full time equivalent pupils in the Vocational Industrial Program by 15, and if there is a remainder, the number of eligible units shall be increased to the next highest whole number.
- 28) that the number of eligible units for a school division with an average of fewer than 40 pupils per vocational course be determined by dividing the number of full time equivalent pupils in the Vocational Industrial Program by 10, and if there is a remainder, the number of eligible units shall be increased to the next highest whole number.

- 29) that a study be undertaken in relation to staffing considerations associated with vocational programs by a committee appointed by the Minister, with representation from the Department, the Board of Teacher Education and Certification, the Manitoba Teachers' Society, the Manitoba Association of School Trustees, the Manitoba Association of School Superintendents; and with representation from labour and the business community; with the committee to report by March 31, 1984.
- 30) that a funding commitment to the coordinator of vocational programming, Red River Vocational Area, and to the Cooperative Vocational Education program, beyond the 1983-84 school year, be delayed pending an assessment of the overall vocational funding provided to appropriate divisions.
- 31) that, in relation to the small schools study recommended on page 111, particular attention be paid to the evaluation of programs and costs in small vocational schools.
- 32) that a study be undertaken in relation to non-resident and residual costs, for both vocational and academic programs, with a view of providing standardized bases across the province for determining such costs, by a committee appointed by the Minister with representation from the Department, and from the Manitoba Association of School Business Officials and the Manitoba Association of School Superintendents; with the Committee to report by March 31, 1984.

English as a Second Language

- 33) that E.S.L. grants be based on 1983 support, with an annual adjustment determined by the increase in the Winnipeg Consumers' Price Index or Education Price Index.

34) that immigrant student support and non-status native student support for instruction in English as a Second Language be one of (a), (b), (c), or (d), but not exceed the total expenditure on E.S.L. instruction;

(a) in divisions where eligible immigrant and non-status native student enrolment is less than one percent of the eligible enrolment, the immigrant and native enrolment is multiplied by \$660.

(b) in divisions where eligible immigrant and non-status native student enrolment is between 1% or more, and less than 3%, of the eligible enrolment, the support is the number of eligible units determined by dividing the eligible enrolment by 850, and if there is a remainder the number of eligible units shall be increased to the next highest whole number or the number of teachers employed, whichever is lesser, multiplied by \$23,000.

(c) in divisions where eligible immigrant and non-status native student enrolment is between 3% or more, and less than 5%, of the eligible enrolment, the support is the number of eligible units determined by dividing the eligible enrolment by 650, and if there is a remainder the number of eligible units shall be increased to the next highest whole number or the number of teachers employed, whichever is lesser, multiplied by \$23,000.

(d) in divisions where eligible immigrant and non-status native student enrolment is 5% or more of the eligible enrolment, the support is the number of eligible units determined by dividing the eligible enrolment by 450, and if there is a remainder the number of eligible units shall be increased to the next highest whole number or the number of teachers employed, whichever is lesser, multiplied by \$23,000.

- 35) that regulations be so amended that there is opportunity to extend E.S.L. instruction beyond two years in the elementary grades if a student is not yet sufficiently proficient in English to receive regular classroom instruction.

French

- 36) that a study be undertaken to determine "additional costs" of French language programs.
- 37) that funding of conversational French be at \$50.00 per full-time equivalent student.
- 38) that funding of Basic French be at \$100 per full-time equivalent student.
- 39) that funding of the French Immersion program be at \$300 per full-time equivalent student.
- 40) that funding of the Français program be at \$300 per full-time equivalent student.
- 41) that the practice of providing an additional development grant be discontinued.

Heritage Language

- 42) that a study be undertaken to determine "additional costs" of heritage language programs.
- 43) that heritage language courses (40 minutes instruction daily) be funded at \$100 per full-time equivalent student.
- 44) that heritage language bilingual programs be funded at \$300 per full-time equivalent student.

Curricula Materials

- 45) that a curricula materials grant of \$60.00 per pupil be provided.
- 46) that a minimum of \$20.00 of the grant be expended on library materials.
- 47) that the new Regional Services Branch view as a top priority the provision of consultative assistance with the implementation of new curricula.

Continuing Education

- 48) that a study be undertaken on the feasibility of equating evening school students to full-time equivalent students, as part of a division's eligible enrolment, or as eligible for the proposed block grant; and
- 49) that, pending completion of the study, the 1984 estimates of expenditure in this area be based on 1983 funding, plus a factor reflecting any increase in the Winnipeg Consumers' Price Index or Education Price Index.

Small Schools

- 50) that the present Small Schools Grant:

Elementary School - \$4000 + \$25 per pupil for every student above 25

High School - \$8000 + \$25 per pupil for every student above 25

be continued into 1984, under the same policy guidelines as currently exist.

- 51) that a study of small schools be undertaken, under the aegis of the Administration and Finance Division of the Department of Education, to evaluate existing programs, to explore alternative programs including programs of distance education, and to determine costs of programs for small schools; and to report its findings by March 31, 1984.

Transportation

- 52) that the Province fund fully the approved costs of transporting pupils to and from the school(s) to which they have been assigned by the School Board, provided that:

- they live beyond one mile (1.609 kilometers) walking distance from their assigned school(s), or
- they qualify for transportation as special needs students, or
- they qualify for transportation because of hazardous conditions which prevent walking.

- 53) that the Department provide an early announcement of the criteria upon which approved funding will occur, i.e., routes, pick-up points, loading, length of time on bus, use of public transit, etc.

- 54) that approved funding be based on the submission to the Department by each district and division of transportation plans, indicating the means of providing "to and from" transportation and cost estimates.

- 55) that a sum of \$32 million be provided by the Province in 1984 to cover approved transportation costs.

Capital

- 56) that the 1983 school buildings support grant, implemented in place of the former capital from current revenues funding, be continued.

Equalization Grant

- 57) that the special levy be equalized on the basis that the monies raised per pupil by one mill in the wealthiest district or division of the Province also be raised per pupil by one mill in all other less wealthy districts or divisions, with the Province making up the shortfall.

Block Grant

- 58) that a pupil block grant be provided, with eligible enrolment weighted for declining enrolment, teacher experience and qualifications, northern adjustment and economies of scale.

- 59) that the size of the block grant be determined by the following calculation:

$$\begin{array}{l} 90\% \text{ of all school divisions' net operating expenditures} \\ \text{minus} \\ \text{total of categorical grants} \\ \text{minus} \\ \text{total of operating costs of the Public Schools Finance Board} \\ \text{divided by} \\ \text{provincial total weighted enrolment} \end{array}$$

Special Revenue Schools

- 60) that a further study of funding of special revenue schools be undertaken by the Administration and Finance Division of the Department of Education, with a report to the Minister to be forthcoming by December 31, 1983.

Private Schools

- 61) that funding to private schools be primarily on the basis of a percentage of the block grant paid to public school districts and divisions, and
- 62) that private schools be eligible also for the curricula materials grant.

Governance

- 63) that a task force be established to examine school division boundaries and related issues of governance.

VI. CONCLUSION

In making its recommendations on the source of funds, the disbursement of funds, and governance, the Education Finance Review has borne in mind issues raised in the earlier sections of this Report:

- the priorities established in the terms of reference.
- the need for balance in underlying principles of student equity, taxpayer equity, local autonomy and accountability.
- the Manitoba preference for a foundation-type program.
- the response of the educational community to the current Education Support Program.
- the current socio-economic climate.

Further, the Review has considered the input received from some 150 briefs and presentations, and, hopefully, it has recognized developments in other jurisdictions. And still further, the Review has believed that its funding formula should be a relatively simple one.

The Education Finance Review is aware that it could not conceivably respond positively to all it had heard, read and learned. Its recommendations may well be viewed as compromise. There will be need, obviously, for ongoing monitoring and revision. Nevertheless, the Review feels that its recommendations do have a sound philosophical and economic base, and are appropriate for Manitoba at this time.

APPENDIX A

SUBMISSIONS
TO THE
EDUCATION FINANCE REVIEW

Agassiz School Division #13 Board of Trustees
Agassiz Teachers' Association
Alexander, Donald, Reeve, R.M. of Thompson
Assiniboine South Board of Trustees
Association of Bright Children of Manitoba

Bauman, Shirley
Beautiful Plains Teachers' Association
Birdtail River School Division #38 Board of Trustees
Boissevain Parent Support Group
Boundary School Division Board of Trustees and Teachers
Brandon Chapter, MACLD
Brandon Division Association, MTS
Brandon School Division Board of Trustees
Brolund, Douglas

Canadian Association for the Mentally Retarded (The Pas Branch)
Canadian Parents for French (Thompson)
Canadian Parents for French (Winnipeg)
Carson, Stella
Central Manitoba Farm Business Association
Christian School Consultants, Inc.
Churchill Teachers' Local 37-3
Clarke, Rita
Comite de Parents Ecole Lagimodiere, Lorette
Communist Party of Canada, Manitoba Committee
Concerned Parents of St. Norbert
Concerned Rural Parents
Crocus Plains Regional Secondary School

Dauphin-Ochre Division Association, MTS
Dauphin-Ochre School Area #1, Board of Trustees
Director General, Dependants Education Program, DND
Duck Mountain School Division #34, Board of Trustees
Delmage, Beverley
Desmarais, Linda

Evergreen School Division Board of Trustees

Flin Flon School Division Board of Trustees
Flin Flon Teachers' Association
Folkert, Arlis
Ft. Garry School Division Board of Trustees
Ft. Garry Teachers' Association
Fort la Bosse Teachers' Association
French Immersion Parents Association of St. James-Assiniboia
Froese, Henry

Garden Valley Teachers' Association

Hanover School Division Board of Trustees
Hanover School Division Teachers' Association
Hanover, Linda
Harrison, Anita
Home and School Federation of Manitoba

I.C.G. Canadian Propane Ltd.
Interlake Coordinators' Association
Intermountain Division Association, MTS

Janzen, John

Kabronick, Garvin
Kelsey School Division #45 Board of Trustees
Kelsey Teachers' Association
Koester, Michael
Kucey, Pat

Labour Election Committee
Lakeshore School Division Board of Trustees
Lam, Prof. Jack, Brandon University
Local Government District of Conso
Local Government District of Reynolds
Loeb, Louisa
Lorimer, Dr. W. C.
Lynn Lake Local, MTS

Mackenzie, S. R.
MacLennan, David
Magarrell, Monty, School Trustee, Morris Macdonald
Makodanski, Alice, Sonnie, Tammy
Manness, Clayton, M.L.A.
Marion, Andree
Manitoba Association for Children with Learning Disabilities

Manitoba Association of Resource Teachers
 Manitoba Association of School Business Officials
 Manitoba Association of School Superintendents
 Manitoba Association of School Trustees
 Manitoba Association of Teachers of French
 Manitoba Association of Urban Municipalities
 Manitoba Farm Bureau
 Manitoba Federation of Independent Schools
 Manitoba Library Trustees Association
 Manitoba Parents for Ukrainian Education
 Manitoba School Library Audio-Visual Association
 Manitoba Teachers' Society
 Manitoba Women's Institute
 Midland School Division #25 Board of Trustees
 Midland Teachers' Association
 Montrose Home and School Association
 Morris Macdonald Division Association, MTS
 Morris Macdonald School Analysis Committee
 Mutala, Pat, City Librarian, Portage la Prairie
 Mystery Lake School District board of Trustees

Northern Regional Professional Development Council

Parent Council, Allard Elementary School, St. James-Assiniboia
 Parkland Special Education Coordinators
 Parkland Superintendent and Secretary-Treasurers
 Pitura, Carl, Reeve, R. of Macdonald
 Popeski, Susan
 Portage la Prairie Teachers' Association
 Potter, Bill
 Principals, Schools with Classes for TMH Students
 Private Schools
 Professional Development Committee, Hanover Teachers Executive

Red River School Division Board of Trustees
 Red River Teachers' Association
 Red River Vocational Education Area Superintendents
 Reesink, Fred
 Remple, Alvin
 Resource Teachers, Brandon School Division
 River East Counsellors' Association
 River East Teachers' Association
 Rolling River School Division Board of Trustees
 Rural Municipality of Elton
 Rural Municipality of Russell

St. Hilaire, Albert, Councillor, R.M. of Montcalm
St. James-Assiniboia School Division Board of Trustees
St. James-Assiniboia Teachers' Association
St. Vital School Division Board of Trustees
Seine River School Division Board of Trustees
Seine River Teachers' Association
Seven Oaks School Division Board of Trustees
Seven Oaks Teachers' Association
Shilo School District #2316
Small Vocational Schools
Societe Franco-Manitobaine
South Central Regional Library Board
South-West Manitoba Coordinators of Special Education
Special Education Administrators Association of Manitoba
Sprague Consolidated School District MTS Local
Swan Valley Division Association, MTS

Thiessen, Jack
Thompson Teachers' Association
Town of Gladstone
Town of Swan River
Town of The Pas
Transcona-Springfield School Division Board of Trustees
Transcona-Springfield Teachers' Association
Turtle Mountain School Division Board of Trustees
Turtle Mountain Teachers' Association
Turtle River Teachers' Association

Union of Manitoba Municipalities

Vocational Industrial Teachers' Association of Manitoba

Western School Division #47 Board of Trustees
Western School Division Teachers' Association
Westman MACLD Resource Centre
Whitehorse Plains School Division Board of Trustees
Whiteshell #2408 School District, Board of Trustees
Whiteshell Teachers' Local Association
Winnipeg School Division #1 Board of Trustees
Winnipeg Teachers' Association



MINISTER OF EDUCATION

WINNIPEG
R3C 0V8

TO: Chairmen of School Boards
Superintendents/Directors of Education
of School Divisions/Districts of Manitoba
President of the Manitoba Teachers' Society
President of the Manitoba Association of School Trustees
President of the Manitoba Association of School Superintendents
Deans of Education of the Universities

Attached is a policy statement regarding computer education, as well as terms of reference for several committees the Department of Education wishes to set up. In drafting this position my staff has been influenced by the feed-back that many of you have provided them subsequent to the release last summer of the Report of the Advisory Committee on Computers in Education.

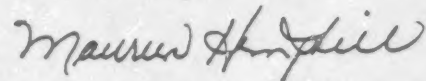
You will readily see that the policy recognizes what is already taking place in Manitoba - computer awareness curriculum development at both provincial and local levels, computer science courses taught in secondary schools, efforts by various individuals and groups to devise computer applications in various subject areas, and the teaching of course work by computer.

You will note that the committees being established are those mentioned in my letter to you, in July 1982. It is our intent to keep the committees small - particularly the hardware and software committees - so that their work can proceed reasonably quickly. As other knowledgeable persons need to be consulted, they can be drawn in from time to time. The professional development committee, on the other hand, is intended to reflect the interests of all jurisdictions which are or might become involved in in-service or pre-service programming and delivery.

At this time, I invite you to respond, if you choose, with comments or suggestions as to the policy statement. In the meantime, we will proceed to activate the committees, so that their work can begin. As they proceed to work, we may, from time to time, find a need for some changes. You may have some suggestions right now.

Please contact Mr. John Dyck at 786-0373 or write to him at the Department of Education, Room 311 - 1181 Portage Avenue, Winnipeg, Manitoba for any comments or suggestions you wish to make. If possible, your comments should reach him within two weeks of the receipt of this letter.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Maureen Hemphill".

Maureen Hemphill



MINISTER OF EDUCATION

WINNIPEG
R3C 0V8

AUX: Présidents des commissions scolaires
Directeurs généraux des divisions et
districts scolaires du Manitoba
Présidents de la Manitoba Teachers' Society
Président de la Manitoba Association
of School Trustees
Président de la Manitoba Association of
School Superintendents
Doyens des facultés d'éducation des universités

Vous trouverez ci-joint une déclaration de principe concernant l'enseignement informatique ainsi que des renseignements sur plusieurs comités que le Ministère de l'Education désire créer. Mon personnel a été influencé dans ce travail par les données qu'un bon nombre d'entre vous lui ont fait parvenir après la publication l'été dernier du Rapport du comité consultatif sur l'enseignement informatique.

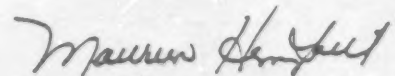
Vous constaterez aisément que le plan tient compte des changements qui se sont déjà produits au Manitoba, à savoir: le développement des programmes de sensibilisation à l'informatique tant au niveau provincial qu'au niveau local, les cours de science informatique enseignés dans les écoles secondaires, les efforts accomplis par des particuliers et groupes variés pour appliquer l'informatique à des matières variées et l'enseignement informatique de sujets d'étude.

Vous remarquerez que les comités qu'on est en train de créer étaient déjà mentionnés dans une lettre que je vous ai envoyée en juillet 1982. Nous désirons que les comités restent petits - notamment les comités sur le matériel et le logiciel - de façon à ce qu'ils puissent agir assez rapidement. Au fur et à mesure que l'on aura besoin de consulter d'autres personnes compétentes, on fera appel à leurs services. Par ailleurs, le comité de développement professionnel devra représenter toutes les juridictions engagées ou devant être engagées dans la préparation des enseignants et des futurs enseignants à la programmation et à l'exécution des programmes.

Si vous le désirez, vous pouvez dès maintenant envoyer vos commentaires et suggestions concernant la déclaration de principe ci-jointe. Entre temps, nous mettrons sur pieds les comités pour qu'ils commencent leur tâche. Lorsqu'ils fonctionneront, nous apporterons les modifications qui, de temps à autre, s'avéreront peut-être nécessaires. Vous pourriez avoir des suggestions à nous faire dès maintenant.

Veuillez appeler M. John Dyck au 786-0373 ou envoyez-lui vos commentaires et suggestions par écrit au Ministère de l'Education, 1181, avenue Portage - pièce 301, Winnipeg, Manitoba. Si cela est possible, tâchez de lui faire parvenir vos commentaires dans les quinze jours qui suivront la réception de cette lettre.

Je vous prie d'agréer l'expression de mes sentiments distingués.



Maureen Hemphill

cc. Président des E.F.M.
Président des C.E.F.M.

TECHNICAL ADVISORY COMMITTEE ON
EDUCATIONAL COMPUTER HARDWARE

This Committee will be an advisory committee and will report and be responsible directly to the Assistant Deputy Minister of Program Development and Support Services.

I. COMPOSITION

The technical nature of the duties of the members of this committee demand expertise in the area of computer hardware. It is recommended that, for reasons of efficiency and credibility, this committee be kept to a maximum of 4 to 6 persons possessing the technical skills essential to the task.

II. TERMS OF REFERENCE

1. Research, develop and recommend a Computer Hardware Implementation Strategy for Education in Manitoba.
2. Recommend a set of technical criteria for educational computer hardware systems for Manitoba schools.
3. Assess selected computer hardware systems through technical review by the committee or by persons delegated to the task by the committee.
4. Compile a list of computer hardware systems which meet the technical criteria for Manitoba schools. This list is to be updated at least every six months.
5. Recommend computer hardware system(s) appropriate to the requirements of Manitoba educational computing including each category of the Manitoba Computer Awareness Model.
6. Liaise with the Technical Advisory Committee on computer-based educational courseware in order to inform them concerning which computer hardware system meets the technical criteria for Manitoba schools.
7. Make recommendations to facilitate the acquisition of recommended computer hardware system(s) by provincial users.
8. Make recommendations with respect to feasibility, educational significance, and resource allocation needed to research and/or establish networks, distributed systems and other centralized systems for Manitoba.

III. TIME-LINE FOR ACTION

July/August 1983	Selection of Members.
September 1983	First meeting, further meetings to be established by the committee.
November 1983	First report to the Assistant Deputy Minister of Program Development and Support Services outlining: the Manitoba Computer Hardware Implementation Strategy, the Manitoba technical criteria for computer hardware systems, and a list of recommended computer hardware systems for Manitoba schools.
January 1984	Second report to the Assistant Deputy Minister of Program Development and Support Services outlining: research findings concerning recommended strategies for the acquisition of computer hardware systems by provincial users and recommendations with respect to network, distributed and other centralized computer hardware for Manitoba.
March 1984	Final report to Assistant Deputy Minister of Program Development and Support Services outlining: detailed procedures of an on-going computer hardware selection and evaluation model.

ADVISORY COMMITTEE ON COMPUTER-BASED

EDUCATIONAL COURSEWARE

This Committee will be an Advisory Committee and will report and be responsible directly to the Assistant Deputy Minister of Program Development and Support Services.

I. COMPOSITION

Appointing representatives from all traditional interest groups tends to lead to a large and unwieldy committee. It is therefore recommended that this Committee be kept to a maximum of 6 to 8 persons with expertise in the area of instructional computing.

II. TERMS OF REFERENCE

1. Recommend general technical and pedagogical criteria for computer-based educational courseware K-12 for Manitoba schools in both English and French.
2. Liaise with the Technical Advisory Committee on Instructional Computer Hardware so as to limit the consideration of courseware to that which is compatible with recommended hardware configurations for Manitoba.
3. Become familiar with the interprovincial microcomputer courseware evaluation model, monitor it, and recommend modifications if required.
4. Make recommendations as to the scope of information to be made available to the educational community by the Department of Education regarding evaluated microcomputer courseware.
5. Compile a list of computer courseware which meets the pedagogical criteria every six months.
6. Advise on procedures by which the Department of Education acquires the right to microcomputer courseware for distribution to the school system.

III. TIME-LINE FOR ACTION

July/August 1983	Selection of members.
September 1983	First meeting, further meetings to be established by the Committee.
November 1983	First report to the Assistant Deputy Minister of Program Development and Support Services, outlining Manitoba's technical and pedagogical criteria, and plan of action for the evaluation of microcomputer courseware.
January 1984	Second and final report to the Assistant Deputy Minister outlining the effectiveness of the evaluation process with recommendations.

ADVISORY COMMITTEE ON PROFESSIONAL DEVELOPMENT

REGARDING EDUCATIONAL COMPUTING

This Committee will be an advisory committee and will report and be responsible directly to the Assistant Deputy Minister of Program Development and Support Services.

I. COMPOSITION

The nature of the task of this Committee demands representation from those interested groups which have a direct concern for the professional development of teachers in working towards competency in teaching ABOUT, USING, and WITH computers.

II. TERMS OF REFERENCE

1. Examine the Manitoba Computer Awareness Model contained in the McPherson Report and recommend the types of and delivery mechanisms for inservice and preservice for teachers to enable their participation in the appropriate categories of the model.
2. Review the present inservice and preservice program in educational computing programs provided by education institutions in Manitoba to determine to what extent these meet the professional needs of teachers.
3. Assess current and future directions for professional development of teachers or teachers in training with regard to educational computing.

III. TIME-LINE FOR ACTION

July/August 1983	Selection of members.
September 1983	First meeting, further meetings to be established by the committee.
November 1983	First report to the Assistant Deputy Minister of Program Development and Support Services outlining progress to date.
January 1984	Second report to the Assistant Deputy Minister of Program Development and Support Services outlining the state-of-the-art of professional development facilitating educational computer competence for teachers.
March 1984	Final report to the Assistant Deputy Minister of Program Development and Support Services recommending the types of and delivery mechanism for inservice instruction for teachers in educational computing.

MANITOBA DEPARTMENT OF EDUCATION

STATEMENT OF POLICY REGARDING EDUCATIONAL COMPUTING

HISTORY

The Department of Education has supported educational computing curricula in Manitoba since 1970 and access to computer resources since 1973.

EXISTING SERVICES

Existing services of the Department of Education include: the maintenance of curriculum committees in the Computer Science and Computer Awareness subject areas; the provision of a network of batch terminals supplying computer resources to 35 urban and rural high schools; the provision of software and consultative support for Apple, PET and TRS-80 microcomputers; the support of research and development of the Manitoba Computer Assisted Learning Consortium; the provision of consultative and professional development services to school divisions, schools and teachers in Manitoba schools; and the provision of consultative services on the use of the student scheduling and grade reporting system.

CURRENT EMPHASIS

The Manitoba Department of Education recognizes the need for provincial support and co-ordination of Education Computing in three broad areas, teaching ABOUT, USING, and WITH computers.

The Department will undertake to develop capabilities in the assessment of computer-based courseware, the identification of educational computer hardware to meet the technical criteria for Manitoba schools, and the identification of professional development strategies to enable teachers to participate effectively in educational computing applications.

Further to this stated policy, the Department of Education will maintain and apply staff and other resources to achieve the realistic goals of this policy. In the public school system, educational computing involves three major areas which have been prioritized as follows:

1. Teaching ABOUT Computers

Teaching ABOUT computers refers to the curriculum areas of Computer Science, Data Processing, Computer Studies, Computer Literacy, and Computer Awareness, where the Computer itself forms the content or topic of study. Department of Education K-12 curriculum guides covering study ABOUT computers are either currently in place, or undergoing preparation, pilot, or revision phases prior to implementation. Teacher training in the methods of teaching ABOUT computers is the most technical and intensive of the three areas mentioned above and will require the support and co-operation of agencies additional to the Department of Education. The study ABOUT computers as a content area has been the first priority of the Department of Education in Educational Computing in response to the expressed need for the field.

2. Teaching USING Computers

Teaching USING computers refers to USE of the computer as a teaching tool in the classroom for purposes of simulation in social science or pure science; word processing in language arts or business education; information retrieval in current affairs or history; problem-solving in mathematics; diagnosis in physical education, career guidance, health or home economics; and the like. Such USES of the computer in the classroom facilitate the instruction process in content areas other than that of the computer itself. Teacher training in these USES of computers is much less technical and more specific to the particular courseware to be USED in that classroom and will require input from specialists in each of these content areas. Used in this way, the computer will serve both the student and the teacher in a variety of ways. This service in the improvement of the learning and instruction process is a second priority of the Department of Education in Educational Computing.

3. Teaching WITH Computers

Teaching WITH computers refers to the computer as the MODE of instruction in the area of Computer Assisted Learning, Computer Assisted Instruction, Computer Based Instruction, and Computer Managed Instruction. In each case, the computer can be employed in a variety of ways, from the drill-and-practice and remediation of skills already taught to the tutorial approach to teaching skills that were not previously taught by other means. Teacher training toward instruction WITH computers in all subject areas is the least technical since high-quality educational courseware is basically self-contained and requires minimal input from the teacher. The teacher will, instead, require sharpening of the skills of diagnosis of the learning difficulty and prescription of the most appropriate student courseware interaction. The Department of Education supports the use of high-quality, pedagogically-sound courseware as a MODE of individualized instruction WITH computers, as the third priority in Educational Computing.

IMPLEMENTATION PROPOSAL

In order to give some direction to the Manitoba Community in the orderly and effective implementation of Educational Computing in Manitoba schools, the Department of Education will implement the following two initiatives:

1. In agreement with the recommendations of the Computer Education Advisory Committee, three committees will be formed with terms of reference as attached:
 - Advisory Committee on Computer-Based Educational Courseware
 - Technical Advisory Committee on Educational Computer Hardware
 - Advisory Committee on Professional Development regarding Educational Computing
2. Manitoba endorses the concept and operation of the inter-provincial (B.C., Alberta and Manitoba) model for sharing the assessment of computer-based educational courseware, and will undertake the development of capabilities in assessment skills.

**A NEW POLICY FOR
BASIC FRENCH**

JUNE 1983

INTRODUCTION

The profusion and diversity of approaches to the study of non-immersion French as a second language in Manitoba have made it difficult at the provincial level to define clear guidelines, to prepare suitable instructional material and to ensure satisfactory results. A restructuring of the whole program is needed to eliminate this undue multiplicity of options and to provide a coherent and continuous course of studies. The following report will endeavour to set out a comprehensive and realistic policy to assist provincial and educational authorities in providing programs aimed at well-defined and attainable goals.

The Bureau de l'Education française Division of the Department of Education has restructured non-immersion French second language programs offered in the province of Manitoba. The coherent approach to the teaching of the new Basic French will have entry points at Grades 4 and 7. Two different programs, specifically the Basic French Nine-Year Program and the Basic French Six-Year Program have been created. Opportunity for K-3 French instruction will be provided by an "Exposure Package", while a Basic French Three-Year Re-Entry option at the 10-12 level will make possible a return for those who had discontinued their study of French at an earlier stage.

The Basic French Nine-Year Program and the Basic French Six-Year Program will provide daily instruction totalling 200 minutes per week or 240 minutes per 6-day cycle (40 minutes daily being recommended with no less than 30 minutes per period). This will result in 120 hours of instruction per year for the total sequence of the program selected by the student (9 years from Grade 4 to Grade 12; 6 years from Grade 7 to Grade 12). The two programs will be further delineated by a curriculum guide which describes the specific objectives and the content for

each program.

With the introduction of the new Basic French programs, the terms Conversational French and Core French shall be abandoned. These terms have been and continue to be a source of confusion, particularly with one of these designations being a misnomer. The terms Basic French Nine-Year Program, Basic French Six-Year Program, and Basic French Three-Year Re-Entry Stream which will replace the old terminology, are self-explanatory.

ENTRY POINTS

School divisions will commit themselves to one entry point, either Grade 4 or Grade 7. Some of the larger school divisions, due to their particular needs and staffing possibilities, may, however, wish to provide more than one option or stream. For example, the re-entry possibility at the Grade 10 level will accommodate those students who have dropped their study of French prematurely and wish to resume it.

The following table presents the four components of the Basic French policy:

GRADES: K 1 2 3 4 5 6 7 8 9 10 11 12												
				→								
Exposure package (optional)				Basic French Nine-Year Program: 1080 hours								
				→								
				Basic French Six-Year Program: 720 hours								
				→								
				Basic French Three-Year Re-Entry Stream: 360 hours (optional)								

Generally, the Basic French Nine-Year Program, having the greater time allotment and, therefore, the more ambitious goals, will lead into the double zero (00) sequence at the high school level. Ideally, students should continue with their initial program selection so that they may reap the maximum benefit provided by their particular option. It must be understood, however, that the two programs cannot achieve the same objectives: a student with 1080 contact hours of French may be expected to have, in general, a better grasp of the language than a student in the 720-hour program.

The introduction of uniform entry points and continuous programs across the province will not only lead to more positive results in the learning of French as a second language, but will also eliminate the frustration experienced by children who either have to repeat material learned earlier or are faced with work for which they are not prepared. Usually these children drop the French course. A continuous, coherent program for all grade levels will encourage them to pursue the study of French.

The present policy will also simplify administrative procedures and allow school divisions to commit themselves to realistic programs whose objectives and course content are clearly stated. Parents and students, well informed as to the possible outcome of various programs, will be able to make an intelligent choice among the programs offered. Similarly teachers will be more cognizant of the skills required to teach these programs. Teacher-training institutions and other organizations involved in the professional development of teachers will be better able to provide training and upgrading that are clearly focused with respect to the programs.

TIME ALLOTMENTS

For the new Basic French programs to meet their objectives, it is essential that daily instruction be provided. Daily contact with the French language reinforces material learned previously. Further, an instructional period of approximately 40 minutes duration will enable the teacher to engage students in meaningful activities. The daily periods of 40 minutes required by the new Basic French program (or daily periods of not less than 30 minutes equalling 200 minutes per week, or 240 minutes per 6-day cycle) will enable the students to accumulate the required number of contact hours. The number of contact hours will be one of the most important factors in attaining the proposed objectives of the courses.

At the high school level, the credit system already prescribes a time allotment which provides students in credit courses with instruction amounting to 120 hours. In those grades, all French courses will operate within the prescribed time allotment.

BASIC FRENCH NINE-YEAR PROGRAM

This is actually the Core French Pilot Project being taught in 135 schools across the province in the 1982-83 school year. A comprehensive interim program of studies for Grades 4 to 6 has been available since June, 1982. A revised final version will be available for the 1983-84 school year. Furthermore, a tentative junior high school program will be piloted at the Grade 7 level as of September 1983. The curriculum guides for the other junior and the senior high

grades will be developed subsequently. At the same time an ongoing review of all existing provisional programs will take place.

BASIC FRENCH SIX-YEAR PROGRAM

Due to the great variation in the teaching of French at the elementary level, educators responsible for curriculum development for Grades 7 to 12 are forced to cater to a mixed group of students, whose levels vary from zero hours in French (beginners) to 360 hours (six years of elementary French at 20 minutes a day). By making Grade 7 an entry point it will be possible to create a program of studies geared exclusively to the beginner. The present curriculum will serve as the initial focus, but it will be revamped, especially with regards to its objectives. Due to the reduced contact time, the objectives will have to be more modest than those set for the Basic French Nine-Year Program. The Grade 7 revised program of studies will be available for the 1985-86 school year. It is expected that curriculum for the remaining grades will be developed one grade at a time in succeeding years.

BASIC FRENCH THREE-YEAR RE-ENTRY STREAM

This is essentially the general course currently known as French 101, 201, 301. To date, this course has been geared to beginners and to those preferring a less formal program. In view of the 360 contact hours available, the objectives for this program must be realistic. The present program of studies for this course will be revised and made available one grade level at a time beginning in

September, 1985.

The revised program will propose a more functional-notional approach to teaching the language (i.e. French for specific situations: travel, shopping, etc.), and will focus on structures and vocabulary used to express wishes, approval, disapproval, etc.

EXPOSURE PACKAGE - PRIMARY LEVEL (K-3)

In areas where parents and students are particularly eager to get off to an early start, school divisions will be able to offer an "exposure package" at the primary level if such is the latter's wish. This option will have a flexible time allotment (approximately 120 hours from Grades 1 to 3) and will start at either the Kindergarten or Grade 1 level. It will predominantly consist of games, songs and activities geared to the children's level of maturity and aimed at developing a positive attitude towards the French language and culture. The "exposure package" presently available through the Bureau de l'Education française Division, is an autonomous and separate entity. The children who have completed this optional package will still enter the regular program at the Grade 4 level.

ADMINISTRATIVE CONSIDERATIONS

Curriculum development is the responsibility of the province. Greater coordination at the provincial level will enhance the use of approved instructional materials at the appropriate level and in the

proper sequence. The Bureau de l'Education française Division, in collaboration with various teacher committees will assume a leadership role in this regard. School divisions, however, will be responsible for the efficient implementation of the programs.

In addition, school divisions will be asked to assume greater responsibility in the professional development of teachers of French as a second language. Furthermore, school divisions will be asked to consider the development of a hiring policy to ensure that new teachers are competent in the French language and knowledgeable about methods of teaching French as a second language. Here, also, the Bureau de l'Education française Division may provide services to divisions wishing assistance.

Schools offering one or more of the new Basic French programs should provide a locale where a teacher can create a French atmosphere and can have ready access to the great variety of teaching aids and materials which make the new Basic French program an active experience for the students rather than a lecture by the teacher. It should be noted that although a special classroom is not absolutely essential, a French atmosphere is more easily created when the teacher is not required to move from room to room. The most advantageous situation would occur when the homeroom teacher is competent to teach French and incorporates the language as part of the teaching assignment.

SUMMARY

The policy which has been described in this paper sets out clear guidelines for improving the teaching of Basic French in Manitoba. Only with renewed efforts and cooperation on the part of all interested

parties will these restructured French as a second language programs thrive. Students, parents, teachers and administrators must take up the challenge.



MINISTER OF EDUCATION

WINNIPEG
R3C 0V8

May 18, 1983

TO: CHAIRPERSONS
SUPERINTENDENTS
SECRETARY-TREASURERS
SPECIAL EDUCATION CO-ORDINATORS

I recently advised school divisions and districts of funding associated with the 1983 Education Support Program. A significant increase has been provided for special needs programs. This increase is an indication of this government's commitment to providing greater opportunities for those with the greatest need.

I indicated that I would clarify provincial expectations with respect to the application of special needs support. This letter addresses that issue.

The stance of the Government of Manitoba with respect to children with special needs is the following:

Since each child in the Province has the right to develop to the fullest extent possible as a confident and valued member of our society, there is a responsibility for the provincial government and those who provide educational services in the public school system to ensure that the child with special needs has an equal opportunity to receive a meaningful and appropriate educational program.

To provide a child with an appropriate program, we believe the child is best placed where her/his total needs are met as completely as possible. For a large proportion of children with special needs, this goal is best accomplished by placement within the regular program stream. Social interaction with other students in a normal environment is a vital part of the educational curriculum. For many of these children, it is necessary to provide additional supports in order for them to benefit fully from their experiences in the regular classroom.

My Department recognizes that special supports to maintain children appropriately in the regular classroom requires the application of resources in a manner which is not uniform for all students. Learning conditions vary from student to student and the assignment of resources should be appropriate to the assessed needs of each student.

Through the effective use of resource teachers and other specialist personnel, most of the students with special needs in a division - those whose difficulties tend to be on the mild and moderate side of the continuum - can be accommodated in the mainstream of education and can receive the most appropriate education in that setting. School divisions have a large degree of flexibility to employ qualified personnel who will develop appropriate programs to meet the needs of their students. This largely non-categorical financial support from the Department encourages the formation of a network of comprehensive services in the division for this purpose. The Department's special funding mechanisms are meant to maximize both the decision-making process at the local level and the provision of real and adequate supports to the individual child with special needs.

A small proportion of the student population has exceptional needs which are so significant that a higher level of resources is necessary because of the extensive nature of the program modifications required. These students have need of highly individualized programs. Low enrollment class groupings could be suitable for those scheduled portions of the timetable involving instruction in which individual attention is vital. However, the segregation of students in special class groupings should not become locked into the entire scope of the timetable. Efforts should be made to ensure that the learning experiences of these students benefit from social interaction with all of the students in the school.

The identification of students' learning conditions can become a negative process. The handicapping conditions listed in the regulations of the Public Schools Act are intended to serve as examples of the severe disabilities experienced by children who require considerable modifications or supports to their program. It is not necessary to attach such labels to individual students for funding purposes. It is essential to determine the level of need presented by the student and to plan and implement the program modification which will meet that need.

Whether the child is placed in an educational program which ranges from a specialized setting to the regular classroom is not a criterion which should be used either by my Department or by school divisions to determine eligibility for low-incidence funding. We believe that the child with severe difficulties should be placed in the least restrictive setting which may well be in the regular classroom.

My government places great emphasis on the continued development of a comprehensive service delivery system to meet the needs of children with special needs. The increasing involvement of parents, community groups and other government departments through co-operation with board members, administrators and teachers in the public school system will further this development. To facilitate such involvement I urge school divisions and districts to make information describing special education programs and related services available to the community.

I would welcome further input in the area of special needs from you and I urge you to continue communicating with us on this very important matter.

Yours sincerely,

Maureen Hemphill

Maureen Hemphill

JOINT SERVICE MODEL: A DEMONSTRATION PROJECT

RECEIVED

JUN 13 1983

ASSISTANT DEPUTY MINISTER

Saskatchewan Department of Education
January, 1982

The Department of Education is encouraging the establishment, on a demonstration basis, of joint service delivery among school divisions in Saskatchewan. The purpose of this paper is to provide general information about the objectives and parameters of the initiative.

I. Objectives

To facilitate the joint delivery of specialized educational services by school divisions, the Department of Education has developed a Joint Service Model. The model is essentially an organizational, and program funding mechanism designed to meet the following objectives:

1. To provide an avenue for local districts to retain local autonomy while attaining the power to participate in more broadly-based programs.
2. To enable the Department of Education to provide funding for specific programs in school divisions which, under ordinary circumstances, cannot be supplied by individual boards.
3. To establish and support joint planning which will enable school divisions to provide improved educational services to students by entering into inter-divisional service agreements.

II. Principles of Operation

To meet these objectives four principles guide the model.

1. Economies of Scale

It is commonly held that more cost-efficient service delivery is possible in larger organizational structures. The enrolment in smaller school divisions limits their ability to use the available revenue for the development and delivery of specialized services.

There is a need for the smaller school divisions to increase the size of their revenue and enrolment base in order to make the provision of the specialized services economical and practical.

2. Local Autonomy

Although economies of scale provide an argument for further school division consolidation, the Department is convinced, that in general, the present school divisions, when provided with adequate resources and support, can best provide for the educational needs of children. The preservation of local autonomy is important.

3. Comprehensive Planning

School divisions which enter into inter-divisional service arrangements should do so within a locally developed set of plans which meet Department criteria. The establishment of comprehensive plans should make allowance for the fact that each joint service area might meet the same educational need in a different way.

4. Conditional Program Based Funding

The Department of Education remains committed to the per pupil based Foundation Grant as the primary means of providing basic funding support to educational programs in school divisions. However, for the Joint Service Model conditional program based funding was adopted as a response to indications of the need for program funding and based on a departmental mandate to stimulate activity in program areas which have been identified as requiring particular attention.

Additional funding will be provided to school divisions who provide a service which meets specific criteria in a Department identified program area.

At this time, it is the Department's intention to fund only programs which provide speech therapy and/or school psychology services in the participating school divisions.

III. Funding Mechanism

Funds will be provided directly to participating school divisions on a per pupil basis, conditional upon:

1. Establishment of service areas which are approved by the Department of Education.
2. Establishment of departmentally approved organizational and administrative agreements. Following approval of these agreements, the Department will make a \$15,000 administrative grant to assist in the development of the program plan.
3. Development of a detailed program plan which meets Department criteria. Funding will be for \$70,000 per joint service area.

The specific criteria for each of these conditions is provided in sections IV, V and VI respectively.

IV. Joint Service Areas

To assist school divisions in deciding with whom they might share services, the Department has identified below a number of criteria to guide the establishment of the geographic service areas. For the purpose of this document, this geographic service area formed by school divisions providing

the joint service will be referred to as the "joint service area". The criteria are:

1. Regional Boundaries

Joint service areas should remain within (not cross) Department regional boundaries; some exceptions may be considered.

Considerations such as traditional patterns of co-operation, or geographical distances may necessitate that certain joint service areas cross regional boundaries.

The Department suggests that two agreements in each region be formalized.

2. Divisions Eligible

All school divisions in the province are eligible to participate; except school divisions in the Northern Saskatchewan Administration District and the four larger divisions in the cities of Regina and Saskatoon.

3. Number of Students

A joint service area would be expected to serve a minimum of 7,000 students. One exception to this minimum student number might be an area in which a sparse student population results in an excessively large geographic area.

4. Non-Exclusion

Within a region, each school division would be encouraged to participate in a joint agreement. Joint service areas would be geographically defined so that all divisions within that particular area have the opportunity to participate.

Individual joint service areas must take into consideration the overall effect on the region. Proposed areas would be deemed unacceptable if the proposed area made it impossible or unreasonable for the remaining divisions in the region to form a viable area.

5. Voluntary Participation

In keeping with the fundamental principle of local autonomy, participation in any joint service agreement will be on a voluntary basis.

At the same time, the Department strongly urges all eligible jurisdictions to participate, either initially or at some later time.

Any joint service agreement must stipulate that any division in the area that does not participate initially must be free to join at a convenient time.

V. Organizational and Administrative Structure

Two possibilities exist for participating boards to establish organizational and administrative structures: the establishment of a joint board (similar to the organization of Comprehensive High Schools) or the establishment of joint agreements among boards to share the cost of services.

The decision as to the type of agreement will rest with those boards participating in the joint service venture. However, the legislative base for such agreements will be Section 97 and/or Section 96 of The Education Act, 1978.

Whichever method of structure is chosen, it must be set out in an organizational and administrative agreement and must meet the following criteria:

1. Control by elected officials from participating school divisions. The organizational plan must indicate how the elected officials will be selected, how they will be provided the opportunity to make decisions, and over which decisions they have control. As a basic minimum they must control staffing and budget matters.

It is anticipated that the elected officials would need to meet only 2 or 3 times per year.

2. An assignment of administrative responsibility including:
 - 2.1 Payment of staff and expenses.
 - 2.2 Liability in case of accident.
 - 2.3 Disbursal of assets if an agreement is terminated.
 - 2.4 Method of staff reporting, assignment and supervision.
 - 2.5 Ownership of materials jointly purchased.
 - 2.6 Methods of resolving major disputes within the area.

VI. Special Education Program Plan (SEPP)

At this time the Department of Education will provide funding support to school divisions providing joint services in the areas of speech therapy and school psychology only.

The purposes of the speech therapy and school psychology programs are:

1. To provide support service to educators to assist them in creating instructional situations which will prevent problems from increasing.
2. To provide appropriate direct child psychology and speech therapy service to individual children.

Department funding of these programs will be conditional upon receipt of a program plan from each joint service area which identifies:

1. How the joint service area program will meet the above objectives.
2. A specific structure for developing, implementing and monitoring the program.
3. How the provision of these services complements other special education services already available.
4. How existing resources from educational and other agencies can be utilized.
5. Identifies how parents will be involved in the service provision to their children.

A proposed outline for such a Special Education Program Plan (SEPP) follows.

As a minimum the (SEPP) should include the following five components:

1. Objectives

The objective section of the Plan would indicate the intent to meet both the case needs of students and teachers, and the preventative program needs of the joint service area.

2. Program Steering Committee

To facilitate the initial planning, as well as program implementation and monitoring activity, it is recommended that a Program Steering Committee be established with membership consisting of one professional representative from each of the participating school divisions and the Regional Co-ordinator of Special Education. The committee may choose its chairperson from among its membership, and may invite participation from other government departments and agencies.

This section of the Plan should identify the participants on the Steering Committee, its terms of reference, its operating procedures, its relationship to the administrative elements of each school division, and its relationship to the joint service management.

3. Divisional Situation Assessment

The purpose of this section of the Plan is to provide for each school division a description of:

- 3.1 Existing special education programs and resources of both a direct service to students and teacher support nature.

3.2 Existing unmet needs, both in direct service to pupils and in support services to teachers (preventative).

4. Joint Service Area Program Delivery Plan

Against the backdrop of each division's program needs assessment, this section should provide the detailed program delivery plans. The emphasis of the Plan should be upon the speech and school psychology service. The Plan might be divided into the following four components.

- 4.1 General Models Applied
- 4.2 Detail Direct Service Plan
- 4.3 Detailed Preventative Programming Plans
- 4.4 Other Joint Service Area Activities

5. Budget and Timelines

The final element of the Special Education Program Plan (SEPP) should be a detailed expenditure projection and the anticipated implementation time schedule.

VII. General Delivery Model

In the case of both the speech therapy and school psychology models, the Department believes that complementary bi-level services can be provided. In the case of the school psychology services, the Regional Office of Education will continue to employ school psychologists. The school psychologists employed in a joint service area would complement the service provided at the regional office. Depending on the local personnel, one plan would have the regional office school psychologist focus upon the preventative program and the high cost cases, while the joint service school psychologist would focus upon case work of low cost children.

For at least the demonstration project, the Department of Education and the Department of Health have agreed that the Department of Health regional speech therapist will provide services to the joint service area. Therefore, in joint service areas language development resource teachers could be employed to complement the service from Health. The language development teacher will focus on preventative programming and service to students with non-physical handicaps. The Health speech therapist would focus on moderate and severe physical handicaps.

VIII. Implementation Schedule

The implementation of the demonstration project is based upon two phases:

Request for a Service Area

The first phase, involving all school divisions, will inform divisions about the project, request interested school divisions to indicate their interest in participation according to the general principles and ask them to submit a proposed geographic description of a joint service area.

This proposed area description should be submitted in writing to the Deputy Minister of Education by February 17, 1982.

By March 1, 1982 the Minister of Education will indicate in writing which joint service areas have been selected to participate in the demonstration project.

Planning for Establishment of Services

The second phase will involve only those divisions who have been selected to participate in the demonstration project. To receive an administrative grant of \$15,000, the school divisions in the joint service area will be requested to establish a formal agreement indicating the terms of reference and administrative arrangements under which the service area will be constituted.

It is anticipated that this could be completed by March 31, 1982.

Once approval for the agreement has been given by the Minister of Education, school divisions will receive the \$15,000 administrative grant and begin the major task of developing a special education program plan (SEPP).

An approved SEPP should be completed by May 1, 1982, so that, recruitment could be completed and service delivery begin by September 1, 1982.

These are suggested timelines only, if school divisions can advance or cannot meet the timelines in Phase 2, the Department will do everything reasonable to accommodate them.

For further information contact your Regional Director of Education.

THE WINNIPEG SCHOOL DIVISION NO. 1

INNER CITY PROGRAMS
1982 ESTIMATED COSTS

	<u>Gross Cost</u>	<u>Provincial Support</u>	<u>Net Cost</u>
<u>1. Support for New Canadians</u>			
(a) E.S.L. Day Classes (in I.C. Schools)	\$ 1,476,000	\$ 580,100	
(b) School Based Ethnic Teacher-Aides	192,400		
(c) E.S.L. & Multicultural Consultant (75%)	30,800		
(d) Evening School Basic English (85%)	536,300	318,900	
(e) Summer School Basic English	44,800		
(f) Community Liaison Personnel	97,300		
	<u>\$ 2,377,600</u>	<u>\$ 899,000</u>	<u>\$ 1,478,600</u>
<u>2. Support for Native Canadians</u>			
(a) Teacher-Aides	\$ 109,000		
(b) Community Liaison Personnel	43,600		
(c) Native Education Consultant	29,400		
(d) Community Teacher Aides	85,100		
(e) Little Ones Nursery	45,800		
(f) Native Support Program - Gordon Bell High School	35,700		
(g) Native Awareness Program	36,250		
	<u>\$ 384,850</u>		<u>\$ 384,850</u>
<u>3. School Support Program</u>			
(a) Nursery Classes (I.C. Schools)	\$ 841,700		
(b) Nutrition Program	627,400	\$ 34,300	
(c) Nutrition Consultant	36,800		
(d)*Pre-Primary Classes	427,800		
(e) Crisis Teachers	58,000		
(f) Resource Teachers	1,257,000		
(g) Attendance Officers	33,700		
(h) Lower Pupil-Teacher Ratio	1,155,700		
(i) Summer Enrichment Program	153,400		
(j) Mount Carmel Clinic	16,600		
(k) Child Guidance Clinic	833,100		
(l) Migrancy Program	173,300		
(m) Craft Development	388,500		
	<u>\$ 6,048,000</u>	<u>\$ 34,300</u>	<u>\$ 6,013,700</u>
<u>4. Community Support Program</u>			
(a) Community Liaison Supplies	\$ 23,000		
(b) Community Involvement	68,500		
	<u>\$ 91,500</u>		<u>\$ 91,500</u>

	<u>Gross Cost</u>	<u>Provincial Support</u>	<u>Net Cost</u>
5. <u>Alternative Programs</u>			
(a) Learning Assistance Centre	\$ 89,300	\$ 74,000	
(b) Alexander Place	146,300	109,500	
(c)*Youth Action Project	113,600		
(d) Argyle Alternative School	587,700	360,000	
(e) Adult Education Centre	1,347,300	953,250	
(f) Urban Agriculture-Aberdeen	52,400		
(g)*Rossbrook House	79,000		
(h)*General Wolfe Alternative Program	41,500		
(i)*Falcon's Nest-Hugh John Macdonald	55,800		
(j) Marymound Teacher-Isaac Newton	26,000		
	<u>\$ 2,538,900</u>	<u>\$ 1,496,750</u>	<u>\$ 1,042,150</u>
Inner City Grant		\$ 2,000,000	(\$ 2,000,000)
TOTAL INNER CITY COSTS	<u>\$11,440,850</u>	<u>\$ 4,430,050**</u>	<u>\$ 7,010,800</u>

* The programs indicated (*), although they have enrolment and are eligible for grants, could be integrated with regular programs and are therefore considered to be extra costs.

** Provincial support includes direct grants for programs which were received during 1982. In addition, extra operating support under the Education Support Program was received for a portion of all Division expenditures during 1982. For the year 1981, this support amounted to 18% of gross expenditures.

COMPENSATORY SUPPORT PROGRAM
FOR SMALL SCHOOLS

PROGRAM DESCRIPTION - COMPENSATORY SUPPORT PROGRAM FOR SMALL SCHOOLS

Background

PROGRAM OBJECTIVE - to provide a compensatory support program for small schools to enhance equal educational opportunities.

DEFINITION - Small schools - While there is no universally accepted definition of a small school, the Department of Education uses the following criteria to describe small schools.

- (a) elementary (K-8) - 6 or fewer teachers
- (b) secondary (9-12) - an enrolment of fewer than 200 students.

(A list of those schools which the Department has defined as small schools in your Division will be distributed shortly. If you have any disagreements re the schools on this list, please contact the Co-ordinator of Small Schools at once).

STATISTICS FROM MANITOBA

During the past decade, schools in Manitoba have experienced annual decreases in the total number of students enrolled. From a high of 247,504 in 1971, the public school population has continued to fall so that currently there is an estimated total of 199,893 students in the public school system. A projected enrolment of 188,143 students for 1986 indicates a continuation of this trend.

These enrolment changes have affected the size of schools in rural Manitoba in particular, where there has been an increase in the number of small schools during the past decade. In 1971 there were 214 small schools in rural Manitoba. By 1981 this number had increased to 251. In total there were 15,914 students in these 251 schools, representing 16% of the total number of students enrolled in rural public schools in the province.

Low enrolments, coupled with an education finance system based on student numbers rather than program offerings, have hindered small schools in providing equal educational opportunities for their students.

PRIORITIES

Based on the overall needs of small schools, it is proposed that this program address the broad categories:

- (a) learning resources;
 - (b) human resources; and,
 - (c) Departmental support.
1. The current situation in some small schools indicates that equality of educational opportunity could be enhanced through the provision of additional resource materials and equipment.
 2. For other small schools, the priority needs may center on human resources. Resolution of these needs may require such assistance as teacher aides, release time for teachers to plan the implementation of new curriculum, preparation time for the development of curriculum materials and units of study.
 3. In terms of Departmental support, priority will be given to the allocation of more Departmental staff time to assist small schools in the resolution of problems which they have identified as a priority.

A. AN INTERIM PROGRAM

Because of the variety of situations which small schools are currently facing, the Department of Education has developed an interim program designed to assist boards in addressing the unique educational needs of these schools. This program is based on the allotment of one-time, conditional grants.

OPERATION OF THE ONE-TIME CONDITIONAL GRANTS

The program is intended to provide compensatory support to schools which meet the small schools definition. Grants will be made available to school boards upon submission of an acceptable proposal.

In order for a school board to acquire the allotted funds for its small schools, it must submit an application for the small schools compensatory grants to the Small Schools Co-ordinators by the deadline date, June 30, 1982. (Standard application forms have been developed for this purpose).

Applications will be processed during the period June 30 to July 23, 1982. School boards qualifying for grants will be advised by July 30th regarding the disposition of their respective applications for compensatory support.

It is essential to emphasize that, at this point in time, the compensatory support grant awarded to each school will represent a one-time conditional grant. This initial grant is being made available prior to review and development of a comprehensive policy, after which time the grants may be continued, modified or discontinued. Three features of the grant award should be noted:

1. The Department of Education will provide the compensatory support grant up to the maximum to which each school is eligible.
2. The school boards must allocate these funds to the designated small schools in accordance with the proposal submitted.
3. Each school board receiving a grant will be required to provide a statement of actual expenditures.

The main condition attached to the expenditure of the compensatory grant pertains to human resources. A maximum of one-half of the grant for which a small school is eligible may be applied to the acquisition of human resources. For example, a small elementary school with 12 students would be eligible for a maximum grant of \$1500. Under the expenditure condition, up to \$750 (1/2) of the maximum could be expended on human resources which would help to improve the quality of education delivered in the classroom.

CALCULATION OF GRANTS

1. The grant will be dependent on whether the small school is an elementary school or a secondary school.
2. The scale of grants is divided into three categories:
(a) minimum support, (b) basic support, and (c) graduated support.
3. Grants will be calculated on the basis of the September 30, 1981 enrolment information which has been submitted to the Department.

ELEMENTARY SCHOOLS

Minimum Support

All schools with 15 or fewer students are eligible for a grant of \$1500.

Basic Support

All small schools with 16 to 45 students are eligible for a grant of \$4500.

Graduated Support

All small schools with more than 45 students are eligible for a grant of \$4500 plus \$40 for each student in excess of 45.

Eg. If a small elementary school has 65 students, then it would be eligible for a grant of:

$$\$4500 + (\$40 \times 20) = \$5300$$

$$\$4500 + \$800 = \$5300$$

SECONDARY SCHOOLS

Minimum Support

All small schools with 60 and fewer students are eligible for a grant of \$6000.

Basic Support

All small schools with 61 to 115 students are eligible for a grant of \$11,500.

Graduated Support

All small schools with more than 115 students are eligible for a grant of \$11,500 plus \$40 for each student in excess of 115 students.

Eg. If a small secondary school has 145 students, then it would be eligible for a grant of:

$$\$11,500 + (\$40 \times 30) = \$12,700$$

$$\$11,500 + \$1200 = \$12,700$$

APPLICATIONS

It is intended that each submission should:

- (a) be developed at the local school division level and submitted as a plan for funding consideration.
- (b) be submitted on the prepared APPLICATION FOR SMALL SCHOOLS COMPENSATORY GRANT form.

Staff of the Field Services Branch will be conducting regional information seminars to clarify all aspects pertaining to the implementation of this program. Invitations to attend these meetings will be forwarded to the division/district offices.

B. A LONG TERM PROGRAM

A long term program for the support of small schools has also been established. This program will provide:

1. Two small schools co-ordinators to direct and administer the total program. One co-ordinator will deal with those small schools where the language of instruction is French (i.e., 50% or more of the instruction in the school is in French). The other co-ordinator will deal with all other small schools in the province.
2. An Advisory Liaison Panel, made up of the two co-ordinators, plus representatives from the Manitoba Teachers' Society, the Manitoba Association of School Trustees, the Manitoba Association of School Superintendents and the Manitoba Association of School Business Officials.

The co-ordinators, in conjunction with the Advisory Liaison Panel, will be responsible for the development and co-ordination of policies and programs for the operation and support of small schools in the future. (See attachment SMALL SCHOOLS ACTION STRATEGY)

For further information please contact:

John Shaw
Small Schools Co-ordinator
Room 107
340 Ninth Street
Brandon, Manitoba
R7A 6C2
Telephone 728-7000 Extension 280

or

Louis Gosselin
Small Schools Co-ordinator
(Schools where French is the Language of Instruction)
Room 509
1181 Portage Avenue
Winnipeg, Manitoba
R3G 0T3
Telephone 786-0126

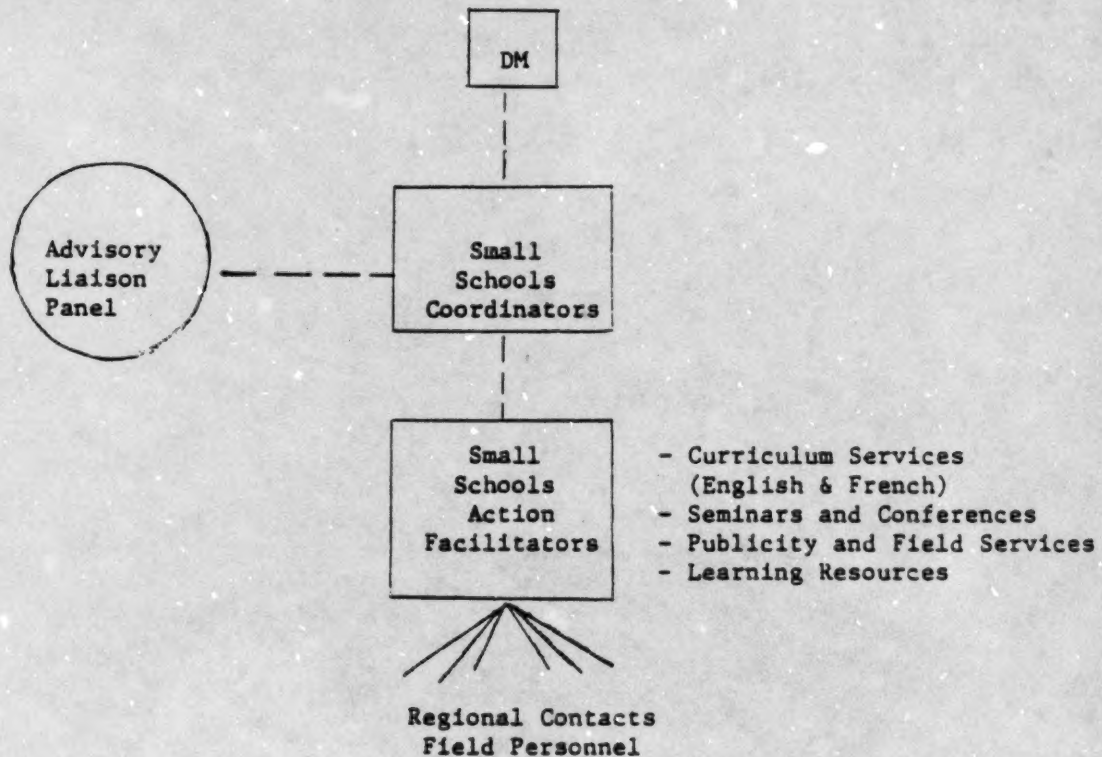
NOTE: A school where French is the Language of Instruction is defined as a school in which 50% or more of the instruction is in French.

SMALL SCHOOLS ACTION STRATEGY

1. Orientation

- supportive of local autonomy
- co-operative inter-branch approach
- advisory liaison linkage with educational organizations
- field service support
- planned action

2. Organization



3. Responsibilities

(a) Co-ordinators

- focal point of contact
- direct and administer compensatory grants
- plan and implement programs
- communication and information
- direct coordination of Departmental support
- development of comprehensive policy proposals

(b) Action Facilitators

- facilitate the cooperative delivery of departmental support to small schools
- resource and advisory forum to co-ordinator
- assist in policy development
- specific tasks as assigned

(c) Advisory Liaison Panel

- assist in policy development
- interpretation of program to constituents
- external "sounding" group for the program

4. Field Personnel

- Departmental consultants and field services will be made available to complement the program



MINISTER OF EDUCATION

WINNIPEG
R3C 0V8

April 5, 1983

BOARD CHAIRPERSONS/SUPERINTENDENTS/
SECRETARY-TREASURERS/PRINCIPALS/TEACHERS

The Small Schools Support Program is nearing the completion of its first year of operation. The enthusiastic feedback which I have received from school boards, teachers and students indicates that the Program has been well received, and is meeting its objective.

During this first year, a conscious effort has been made to look at changes which could be made to improve the Program. A number of you have provided feedback about those things which are working well, and those which need to be changed. Based on that feedback, certain modifications have been made. The purpose of this letter is to outline:

- (a) Those parts of the Program that will remain the same.
- (b) Changes that will be made in order to make it more effective.
- (c) The operation of the pilot programs.

A. ELEMENTS THAT WILL REMAIN THE SAME

- 1) The objective of the Program will remain the same. i.e. "To provide a compensatory support program for small schools to enhance equal educational opportunities."
- 2) The main conditions attached to the use of the grants will remain the same:
 - (a) The grants must be used to purchase human and/or material resources that will improve the quality of education delivered in the school.
 - (b) The grants must be used to provide human and/or material resources that would not normally be available to the school without the grant.
- 3) The definition of a small high school will remain the same as last year. (Less than 200 students from Grades 9-12).
- 4) An appeal procedure to the Advisory Liaison Panel will be available to Boards.
- 5) Each school will be required to submit a basic plan to indicate how the grant will be used.

B. CHANGES

- 1) New formulae have been developed to determine the grant size for each school. Feedback from the field indicated that there were two basic problems with last year's formulae:
 - (a) The grant size for very small elementary schools was quite small (\$1500). This did not allow for the purchase of significant amounts of human resources, even though these schools were multigrades, and could probably have benefitted from additional help. By raising the minimum grant to \$4000, the new formulae have attempted to respond to this need.
 - (b) There were too many sharp breaking points in the old formulae. (e.g., A high school with 59 students received a grant of \$6000, while one with 61 students received \$11,500). The new formulae attempt to respond to this inequity. The end result is that, while some schools will receive less money than last year, others will receive more. It is important to point out, however, that the total amount of money paid out in grants will be slightly higher than last year.

The new formulae are:

ELEMENTARY SCHOOL $\$4000 + \$25$ per pupil for every
student above 25

HIGH SCHOOL $\$8000 + \$25$ per pupil for every student
above 25

- 2) The definition of a small elementary school has been changed. The definition used last year (K-3 with 6 or fewer teachers) had a number of weaknesses:
 - it tended to discriminate against those school boards which were already compensating their small schools by assigning them additional staff.
 - it was very difficult to give a numerical value to such staff members as itinerant teachers, teachers shared between two schools, specialists, part-time teachers, etc.
 - it was hard to equate schools which taught different numbers of grades (eg. a grade K-3 school with 6 teachers with a K-9 school with 6.5 teachers)

As a result, the following formula has been developed to define a small elementary school:

Number of students enrolled
Number of grades taught

is less than 15*

* (Kindergarten is counted as a full grade, and as full-time students).

The net effect of this change was to add 19 schools to the Program, and to delete 7 schools which had qualified last year. However, the 7 schools deleted by the new definition will be funded for one additional year.

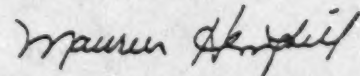
- 3) The 50% limit on human resources has been removed. Schools may now choose to use up to 100% of their grant for human resources.
- 4) A different system will be used to account for use of the grant. Rather than requiring invoice slips for all materials purchased, we will ask for signed statements indicating that the grant was used to purchase resources that will:
 - (a) assist in improving the quality of education delivered,
 - (b) provide human or material resources that would not normally be available to schools without the grant,
 - (c) be used in the school for which the grant was intended.

C. PILOT PROGRAMS

The Small Schools Support Program will continue to operate pilot programs. The purpose of these will be to allow individual schools, school divisions or institutions to implement new approaches to program delivery. Again, the emphasis will be on programs that can be replicated by other small schools in the province.

In order to make these programs even more useful, the Planning and Research Branch will be conducting a research study which will ask teachers in small schools to identify specific areas of concern.

Yours sincerely,



Maureen Hemphill

Calculation of Categorical Grants Proposal I

DIVISION NUMBER	SPECIAL NEEDS	COMPENS- ATORY	VOCATIONAL	E.S.L. IMMIGRANT & NATIVES
1	6547200	11000000	1127000	1285171
2	2327350		591100	23760
3	849050			9570
4	960400		138000	29040
5	794500			37398
6	1131900			18000
8	407500			2640
9	2111300		598000	58740
10	1730100		46000	163500
11	820100		368000	2970
12	1165700		161000	
13	467700			2540
14	412300			2000
15	613050		316250	34500
16	167350		92000	8369
17	208500		23000	3300
18	229850		46000	
19	224900		23000	9025
20	211800			4800
21	382900			
22	310800			1650
23	251750		46000	1980
24	484100		57500	17820
25	243050			
26	264400		41400	46000
27	152500			
28	221700			
29	238100			990
30	257900			3960
31	350750		23000	
32	259550			
33	338200		322000	
34	206850			
35	348550		166750	10250
36	261100			660
37	215100			3650
38	238100			
39	333150		23000	4800
40	1223650		345000	30000
41	310050		46000	5280
42	211250			1520
43	217850			2310
44	242500			6600
45	356700			
46	261200			
47	202100			25070
48	496300	2000000	23000	
2264	51000			
2309	87150			
2312	69100			
2355	601800		69000	
2439	32900			660
2460	105300			
2461				
PROVINCE	31209750	13000000	4692000	1858083

----- FRENCH -----					
DIVISION NUMBER	FRANCAIS	IMMERSION	BASIC	CONVERS- ATIONAL	HERITAGE LANGUAGE
1		532479	23387	47445	45220
2		152133	14360	33310	650
3		139050	1907	14220	
4	487143	254592	4494	9765	
5		166400		17660	710
6	139299	183036	11106	9410	3100
8	137274	73700		2430	
9		147400	6773	22575	48700
10		147400	12786	12625	23060
11			6653	8155	1080
12		157700	15360	13570	33070
13	42216	83200	2720	5890	2020
14	367557	255500		9350	
15			1573	1510	31900
16			1227	2195	1870
17	261216	27925		70	
18					9500
19				3175	5460
20	24018	46925	907	2320	230
21		27350		6300	
22				3365	2220
23			3414	3505	1590
24		65350		7590	
25				3200	
26				245	15250
27				1685	
28	158427			1245	
29				2285	
30				3735	
31				3860	390
32	65124			1695	
33		55850		2580	8960
34				1130	1260
35		7200		990	
36				2720	330
37				2550	990
38	33285		827	3045	
39				2900	480
40		84006	3347	6900	
41				3550	
42				1885	
43				2845	
44				2340	
45		23250		3990	
46				1795	
47			4093	1050	1600
48			267	940	
2264					
2309				615	
2312				770	
2355		36850		9035	
2439				1090	
2460			1093	380	
2461			147	245	
PROVINCE	1715559	2667296	116441	307730	239640

- CONTINUING EDUCATION -			
DIVISION NUMBER	CURRICULA MATERIALS	E.S.L. ADULT	E.S.L. EVENING SCHOOL
1	1915770	473000	107000
2	790410		16324
3	341520		
4	399420		2000
5	364260	9000	
6	427050		6500
8	90990		
9	761130		25000
10	454020		13500
11	294120		17000
12	474600	10000	19200
13	170970		3000
14	236520		
15	290190	16000	9000
16	59730		1300
17	73350	500	500
18	81810	3000	1000
19	88650		500
20	69750		
21	182880		2500
22	115260		8000
23	112800		
24	203430		3000
25	106500		500
26	127650	1000	7000
27	51690		500
28	76980		6170
29	86040		10000
30	94890		500
31	108660		
32	101400		1000
33	145800		
34	69240		500
35	134760		3000
36	108750		
37	79740		
38	90510		
39	128130		2000
40	435150		
41	118920		
42	69690		
43	76740		
44	97200		
45	138780		
46	96780	2000	
47	75630		
48	171360		
2264	19050		
2309	27780		
2312	26400		950
2355	226110		
2439	12870		
2460	29700		
2461	4950		
PROVINCE	11136480	514500	267444

DIVISION NUMBER	SPECIAL NEEDS	COMPENS- ATORY	VOCATIONAL	E.S.L. IMMIGRANT & NATIVES
1	6083947	11000000	1194620	1176993
2	2457292		626566	27024
3	936722			9665
4	1014632		146280	28946
5	856162			
6	1312916			27935
8	421456			3909
9	2335922		609500	51493
10	1931850		48760	160908
11	860550		390080	
12	1291610		195040	
13	499260			8999
14	394055			7870
15	688576		335225	36570
16	179140		97520	48760
17	221010		24380	3190
18	216161		48760	
19	241892		24380	7788
20	221010			48760
21	409372			
22	329236			1214
23	265106		48760	10308
24	521785		60950	20144
25	252386			5773
26	287260		43884	48760
27	161650			1115
28	231504			1657
29	240196			1841
30	269876			48760
31	313018		24380	
32	276872			73140
33	329130		341320	1571
34	196630			73140
35	367714		176755	9800
36	231504			1195
37	228006			3566
38	248888			5280
39	391034		24380	8304
40	1298818		365700	12190
41	333900		48760	5239
42	225674			768
43	232670			2544
44	257050			6300
45	339508			146280
46	264682			10006
47	184864			26574
48	399090		73140	170660
2264	41870			24380
2309	66250			
2312	48866			24380
2355	619040		73140	146280
2439	34874			510
2460	111618			48760
2461	3498			
PROVINCE	32177602	11000000	5022280	2589049

Calculation of Categorical Grants
Proposal II

DIVISION NUMBER	SMALL SCHOOLS	TRANSPORT- ATION	MISCELL- ANEOUS	TOTAL CATEGORICAL GRANTS
1		703300	78000	23884972
2		641423		4590820
3		287111		1642428
4		462004		2746858
5	5660	425962		1821550
6		716388		2645789
8		84913		799447
9		1142612		4922230
10		786655		3389446
11		1002000		2520078
12		1148061		3198261
13	3500	948700		1732456
14		1119840		2403067
15		986574		2302547
16		490757		824798
17		394141		992502
18		397927		769087
19	55000	573962		983672
20		357036		717786
21	46280	964854		1613064
22		620857		1061952
23		953258		1374297
24		676587		1515377
25		557023		910273
26	42000	334100		879045
27		423400		629775
28		546252		1010774
29		620816		958231
30	30000	602621		993606
31		580900		1067560
32		755236		1182005
33	9234	492712		1375336
34	38023	493286		810289
35	5180	895648		1572308
36		769823		1143383
37		616591		918601
38		688123		1053890
39		873080		1367540
40	10200	531450	20600	2690303
41	42275	768882		1294957
42	49220	533143		866508
43		535700		835445
44		681517		1030157
45		395110	104900	1022730
46		39772		401547
47	4500	295293		609336
48		2395753		5087620
2264		64000		134050
2309		32700		148245
2312	10000	6460		113680
2355		124800		1067595
2439		94085		141605
2460		7000		143473
2461		102672		108014
PROVINCE	351072	31740870	203500	100020365

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DIVISION NUMBER	FRANCAIS	IMMERSION	BASIC	CONVERS- ATIONAL
1		702000	37700	47443
2		253000	37700	33310
3		198000	5850	14220
4	441000	288000	12330	9763
5		168000	1300	17660
6	126000	258000	25330	9410
8	126000	48000		2430
9		186000	14300	22373
10		117000	25330	12623
11			16900	8133
12		198000	31830	13370
13	12000	73000	8430	5890
14	330000	283000		9330
15			3900	1510
16			3230	2193
17	318000	24000		70
18				
19				3173
20		132000	1930	2320
21				6300
22		9000		3363
23			7800	3303
24		60000	1300	7390
25				3200
26				243
27				1683
28	240000	9000		1243
29				2283
30				3733
31				3860
32	120000		630	1693
33		34000		2380
34				1130
35		14268		990
36				2720
37				2330
38	30000		1300	3043
39				2900
40		130000	9730	6900
41				3330
42				1883
43				2843
44				2340
45		36000		3990
46				1793
47			6300	1030
48				940
2264				
2309				613
2312				770
2333		78039		9033
2439				1090
2460				380
2461				243
PROVINCE	1743000	3344327	253300	307730

DIVISION NUMBER	-- HERITAGE LANGUAGE --		- CONTINUING EDUCATION -		
	BILINGUAL	BASIC	CURRICULA MATERIALS	E.S.L. ADULT	E.S.L. EVENING SCHOOL
1	17100	21812	1937310	600000	118580
2		2155	748350		21945
3			343080		
4			385740		3850
5			363000	15000	
6	4200		432390		4620
8			88830		
9	42675	9962	770190	1500	22715
10	21825	1503	467370	2250	15475
11			293400	2250	25400
12	31725	2554	481380		30600
13	4650	3192	169050		11044
14		326	238470		1250
15		38663	292620	5950	13615
16		2647	57510	595	2405
17		725	72510	850	2212
18		13081	82110	2040	4280
19		6790	88500	450	2905
20		5506	66360		
21		785	179550		13640
22		2487	110400		8714
23		1157	112350		6203
24		552	205890	3400	5658
25		585	104970	3740	2260
26		18421	129360	4250	5965
27			50700		4252
28		612	75300		11390
29		479	83700		9475
30		625	93930		1645
31		1104	107970	382	1250
32		505	99360		3462
33	8250	1862	142800		1875
34		692	68490		2790
35			132720		7609
36		545	108600	212	
37		958	76500		
38			89610		5655
39		599	124920	595	2000
40		499	436830		
41		293	119070		4528
42		712	69780		1395
43			77100		
44		399	95460		
45			139320		
46			94800	850	
47		612	76860	2550	4905
48			185790		3270
2264			19500		
2309			27500		1455
2312			25860		1645
2355			227670		
2439			11580		1655
2460			27300		
2461			5220		
PROVINCE	130425	143399	11114730	646864	587550

DIVISION NUMBER	SMALL SCHOOLS	TRANSPORT- ATION	MISCELL- ANEOUS	TOTAL CATEGORICAL GRANTS
1	11925	1244419	74000	24267851
2	10250	498859		4718451
3		265289		1772826
4		227759		2558322
5	5225	230729		1637076
6	4825	535598		2761244
8	11550	56015		758190
9		999309		5066141
10		609921		3412837
11	10550	924207		2531492
12	12625	1002039		3290993
13	61425	919674		1778634
14	59325	1088495		2414141
15	33100	1026375		2476104
16	29425	503016		926463
17	39150	410415		1116512
18	15150	430184		811766
19	60500	612567		1048947
20	89875	355219		923000
21	45175	970555		1625377
22	22475	628575		1115466
23	56950	915909		1428048
24	42200	685398		1612867
25	50550	588515		1011979
26	42350	318401		898896
27	52075	442751		714208
28	86925	574189		1231822
29	73150	658187		1069313
30	48475	651620		1118666
31	37900	613029		1102893
32	48700	772682		1397066
33	11525	484666		1379579
34	36650	528434		907956
35	4925	842947		1557728
36	22500	770238		1137514
37	41900	603732		957012
38	67175	710965		1159918
39	75325	932385	3800	1566242
40	22325	453412	25200	2781624
41	38275	860675		1414090
42	47175	570862		918251
43	43925	574481		933565
44	54025	719199		1134773
45		256750	134789	1056637
46		50937		423070
47	4000	304661		612576
48	133100	1000563		1966553
2264	8725	54690		149165
2309	10550	19507		125675
2312	10425	1613		113559
2355		40046		1193270
2439	9225	89840		148754
2460	10000	0		198058
2461	5075	53811		67849
PROVINCE	1718650	29704314	237789	100521009